TRANSCRIPT OF RECORD.

SUPREME COURT OF THE UNITED STATES.

OCTOBER TERM, 1916. [redacted] 1919

No. [redacted]

THE UNITED STATES OF AMERICA, APPELLANT,

vs.

UNITED STATES STEEL CORPORATION ET AL.

APPEAL FROM THE DISTRICT COURT OF THE UNITED STATES FOR THE DISTRICT OF NEW JERSEY.

VOLUME 2.

GOVERNMENT EXHIBITS.

FILED MAY 12, 1916.

UNITED STATES

vs.

UNITED STATES STEEL CORPORATION.

GOVERNMENT EXHIBITS, VOL. II.

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District Court of the United States,

FOR THE DISTRICT OF NEW JERSEY.

UNITED STATES OF AMERICA *vs.* UNITED STATES STEEL CORPORATION and Others.	No. 6214.

STIPULATION.

It is hereby stipulated by and between the petitioner and the defendants, represented by Messrs. Lindabury, Depue and Faulks, as follows:

That the following are true copies from the minutes of the several Companies as hereinafter specified, that they are offered in evidence in behalf of petitioner to the extent and for the purposes hereinafter specified, that they may be relied on as evidence by either party, (subject to exceptions as to competency or relevancy) to the same extent as if they were originals and that where only part of the minutes of any meeting is copied no exception shall be taken on the ground that the entire minutes of such meeting are not adduced.

Dated New York, June 26, 1912.

R. V. LINDABURY,
Of counsel for the Defendants above named.

J. M. DICKINSON,
HENRY E. COLTON,
BARTON CORNEAU,
Special Assistants to the Attorney-General.

The following minutes of the Directors and Stockholders of the National Tube Company, page 360 to page 426, are offered in evidence by the petitioner, under the foregoing stipulation, page 359, dated June 26, 1912, for all purposes for which said minutes are competent and relevant:

Each and all of said minutes are objected to by Counsel for said Defendants on the ground of incompetency, irrelevancy and immateriality.

(Minutes of Board of Directors, February 23, 1899.)

There were present Messrs. William P. Chapman, Jr., Albert S. Ridley and Francis D. Pollak, constituting the entire Board.

The President reported that Messrs. Wm. Nelson Cromwell and Edmund C. Converse, already held contracts with certain of the concerns which this Company desired to acquire and were in active negotiation with other like plants with the purpose of acquiring the same in their own interest; and that the President had entered into negotiations with these gentlemen for the purchase, by this Company, from them of the properties hereinafter referred to. To that end the President presented a draft Contract between this Company and Messrs. Cromwell and Converse as follows:

THIS AGREEMENT, Made this day of February, 1899, by and between UNITED STATES TUBE COMPANY, a corporation duly organized and existing under the laws of the State of New Jersey (hereinafter called the "Tube Company") party of the first part; and WM. NELSON CROMWELL and EDMUND C. CONVERSE, of the City of New York, as joint-tenants and not as tenants in common (hereinafter called the "Consolidation Purchasers"), parties of the second part,

WITNESSETH:

WHEREAS, The Tube Company is organized for the purpose, among others, of engaging in the business of manufacturing, buying, selling or dealing in all tubular and other products of iron, steel and other metals; fittings, tools, sup-

plies, machinery, apparatus; and projectiles and all materials of war; and has issued its capital stock paid for at par in cash, to the amount of five thousand dollars, equally divided into Seven Per Cent. Cumulative Preferred Stock and Common Stock, having the relative preferences and the status set forth in its Articles of Incorporation, to which reference is made as a part hereof.

And, Whereas, The Tube Company contemplates an increase of its said Preferred Stock to an authorized amount of $40,000,000 and of its Common Stock to an authorized amount of $35,000,000;

And, Whereas, The Tube Company desires to acquire properties and businesses, and capital stocks of several corporations owning properties and businesses, of the character covered by the purposes set forth in its Articles of Incorporation, concerning which, and the value of which properties and businesses, it has instituted inquiry and the Consolidation Purchasers, having a similar purpose, already have opened and now are conducting negotiations for the acquisition by them of various properties necessary to the purposes of the Tube Company; and the Tube Company has proposed to purchase properties and businesses of said character from the Consolidation Purchasers upon the terms hereinafter stated, and also to secure a cash working capital necessary for the conduct of its business;

Now, Therefore, It is mutually agreed as follows:

Article I. The Tube Company for itself, its successors and assigns, covenants and agrees to purchase and to take from the Consolidation Purchasers, their heirs, executors, survivors and assigns, at any time within the period of four months from the date hereof, the real property, plants, machinery, merchandise and good will of the following-named corporations or partnerships, or shares of the capital stocks of, or other interests in, such corporations or firms, viz:

National Tube Works Co.,
Pennsylvania Tube Works.

American Tube and Iron Co.,
Oil Well Supply Co.,
National Supply Co.,
Jarecki Manufacturing Co. (oil department),
A. M. Byers and Co.,
Spang, Chalfant and Co.,
Pittsburg Tube Company,
Oil City Tube Co.,
Reading Iron Co. (lease or agency),
Morris Tasker and Co. (incorporated),
Delaware Iron Co.,
Allison Manufacturing Co. (tube mill department),
National Galvanizing Works,
Chester Pipe and Tube Co.,
Conshohocken Tube Co.,
Conshohocken Galvanizing Works,
Longmead Iron Co.,
Riverside Iron Works,
Syracuse Tube Co.,
Cohoes Tube Co.,
Western Tube Co.,
Tyler Pipe and Tube Co.,
Ohio Tube Co.,

all for the agreed price or consideration of $70,000,000, payable as follows: One-half thereof in its 7% Cumulative Preferred Stock, at par, and one-half thereof in its said Common Stock, at par.

ARTICLE II. In the event that the Consolidation Purchasers shall be unable to convey and deliver, or to cause to be conveyed and delivered to the Tube Company within the period aforesaid, any one or more of the properties, capital stocks or interests as aforesaid, the said agreed price or consideration specified in Article I shall be and hereby is abated and reduced in such amount as may be mutually agreed upon between the parties hereto as the fair and reasonable value of any such property, capital stocks or interests not so conveyed and delivered; and if, in such event,

said parties hereto shall be unable promptly to agree as to the amount in which such agreed price or consideration shall be so abated and reduced, then and in every such event, such amount shall be ascertained, fixed and determined by arbitration, viz: Each party hereto shall select one arbitrator and the two so chosen shall select a third, and the three so chosen shall ascertain, fix and determine the same, and the determination of such arbitrators, made with or without hearing or notice, shall be absolute and conclusive upon the parties hereto as to the fair and reasonable (sic) of any such property, stocks or interests not so conveyed and delivered hereunder within the period aforesaid; and the price or consideration, as above stated, or as so abated and reduced in accordance with the agreement of the parties or the determination of the arbitrators, shall thereupon be payable in the manner aforesaid. But, nevertheless, if and when the Consolidation Purchasers shall offer to convey, or to cause to be conveyed, to the Tube Company at any time within two years thereafter all or any of the properties, capital stocks or other interests which they may fail to deliver within the said first mentioned period, the Tube Company agrees so to purchase, take and pay for the same in the same manner as originally provided at a price equal to the amount so abated.

ARTICLE III. The properties referred to in Articles I and II shall be considered and valued not as separate and individual properties independently of their relation to each other; nor necessarily at their cost, as separate properties, to the Consolidation Purchasers, but, so far as delivered hereunder, such properties shall be considered and valued as an entirety and as constituting together one single going concern, it being mutually recognized and agreed that through a common ownership the value thereof to the Tube Company shall be greatly enhanced by reason of the increased earning power, the diminished expenses of operation, the saving in cost of manufacture, sale, delivery and management, and otherwise.

ARTICLE IV. All payments and deliveries hereunder shall be made at the office of the Tube Company, No. 26 Cortlandt Street, in the City of New York, and all titles, conveyances and questions of a legal nature involved in the consummation of this contract shall be subject to the approval of counsel to be designated by the Tube Company.

ARTICLE V. The parties hereto shall make, execute and deliver all such conveyances and other instruments, and will do such acts and things as may be reasonably required, the one from the other, to fully carry out the purposes of this agreement.

IN WITNESS WHEREOF, The Tube Company has caused these presents to be signed by its President, sealed with its corporate seal and attested by its Secretary; and the parties of the second part have hereunto set their hands and seals the day and year first above written.

UNITED STATES TUBE COMPANY,
By
President.

Attest:
Secretary.
(Corporate Seal.)

(SEAL)
(SEAL)

In the presence of

The Board discussed the various provisions of the proposed contract, and especially the value to this Company of such properties and the earning power of the same and the economies to be assuredly made through their common ownership and management.

The Directors also had severally examined into the subject before this meeting and had made individual investigations upon the points above mentioned, as well as all others concerned.

After full discussion and consideration, the following Preamble and Resolutions were duly and unanimously adopted, viz:

WHEREAS this Company desires to acquire properties mentioned in the proposed Contract between this Company and Wm. Nelson Cromwell and Edmund C. Converse, submitted to and considered by all of the Directors of this Company; and said Cromwell and Converse hold contracts respecting certain of the said properties necessary to the business of this Company and are in active negotiation respecting the acquisition by them of other of said Corporations or the property thereof.

RESOLVED: That in the judgment of this Board of Directors, and each member thereof, the property or shares of capital stock, or at least a majority of the shares or interests in each of the corporations or firms mentioned in the said proposed Contract, for the corporate purposes of this Company, are of the value, and will be of value, to this Company, of a sum in cash at least equal to the Par Value of all of the Preferred Stock and all the Common Stock of this Company which is to be issued therefor under the terms of said Contract.

RESOLVED FURTHER that this Corporation enter into said Contract with Wm. Nelson Cromwell and Edmund C. Converse, Consolidation Purchasers, in the form submitted to this meeting; and that the President and Secretary execute and deliver the same for and in behalf of this Company and under its Corporate Seal; that the President and Treasurer be and are hereby authorized and empowered to do all acts and execute and deliver all stock, make all payments and receive all property, which they may deem proper in the consummation of said Contract which shall be dated the 21st day of February, 1899.

There being no further business, on motion duly seconded, the meeting adjourned.

WM. P. CHAPMAN, JR.
President.

ALBERT S. RIDLEY
Secretary.

(Special Meeting Board of Directors June 15, 1899.)

At a Special Meeting of the Board of Directors of the United States Tube Company, duly held at No. 45 Wall Street, New York City, on Thursday, the 15th day of June, 1899, at one o'clock P. M.

There were present Messrs. William P. Chapman, Jr., Charles A. Tatum and Clifton Wharton, Jr., constituting the entire Board.

Mr. Wharton offered the following Preamble and Resolutions,

* * * * *

"WHEREAS, it is for the best interest of this Company and necessary for its business to purchase in one block the property hereinafter stated, upon the terms hereinafter stated; and it is also desirable for this Company to acquire, with such property, additional working capital to the amount of $2,500,000; and

"WHEREAS, all, or at least a majority of the shares of capital stock, or interest in, the several corporations or firms hereinafter mentioned as the property now to be purchased by this Company, taken together and representing the great preponderance of the Wrought Iron and Steel Tube and Pipe Industry in the United States, and with $2,500,000 in money, are worth a sum greatly in excess of the aggregate value of such shares and property estimated separately:

"IT IS RESOLVED AND DECLARED; that after full consideration of the value to this Company, for its corporate purposes, of the properties hereinafter mentioned, and after consideration of the careful, special and professional reports upon such properties made by reputable and competent chartered public accountants and mechanical experts, and in view of the large increase in the assets and the value of the assets of the said corporations and firms beyond the amounts estimated at the time of the making of the said Agreement of February 21st, 1899, the Board of Directors of this Company does hereby ascertain, adjudge and determine that the shares of capital stock and properties of the said several corpora-

tions and firms hereinafter mentioned, in a single block, with their good will and assured earning power under the economies of operation indicated by such reports and appraisements, together with the sum of two million five hundred thousand dollars ($2,500,000.) in cash, are and will be worth to this Company, for its corporate purposes, a sum in cash equal at least to the par value of all of the Preferred Stock and all of the Common Stock of this Company, which is to be issued therefor under the terms of the further Agreement between this Company and said Wm. Nelson Cromwell and E. C. Converse submitted to this meeting:

"RESOLVED, FURTHER: That this Company do purchase from Wm. Nelson Cromwell and Edmund C. Converse, Consolidation Purchasers, the property mentioned in the following contract for the sum of $79,995,000 payable as follows: $39,997,500, thereof in the Seven Per Cent. Cumulative Preferred Stock of this Company, at par; and $39,997,500. in the Common Capital Stock of this Company, at par; and that this Company do enter into further contract with said Wm. Nelson Cromwell and Edmund C. Converse, Consolidation Purchasers, in the form submitted."

"RESOLVED, FURTHER; that the President and Secretary of this Company be and they are hereby authorized and directed to execute, acknowledge and deliver said Contract for and in behalf of this Corporation and under its corporate seal;

"RESOLVED, FURTHER; that the President and Treasurer of this Company be and they are hereby authorized and directed, in the name and on behalf of this Company, and under its corporate seal, from time to time, to issue and deliver, or cause to be issued and delivered, proper Certificates of shares in the Preferred and Common Stock of this Company up to the full amount of $39,997,500 of such Preferred Stock and $39,997,500 of such Common Stock, as called for in compliance with the provisions of said contract with Wm. Nelson Cromwell and Edmund C. Converse, Consolidation Purchasers, authorized at this meeting, and to deliver all of such Certificates in such proportions and amounts, and

in respect of such portions of said properties to be delivered to this Company as may be deemed necessary and convenient for the complete fulfillment of the purpose; to reserve and receipt for any property deliverable to this Company thereunder; and generally, to do, execute and perform all such acts, instruments and things as from time to time they may deem necessary or proper fully to carry into effect the purposes of the aforesaid Contract and these resolutions."

The subject was discussed at length but it was the sentiment of the Board that it should give the matter further consideration and examination and that action be first taken thereon by the Stockholders.

On motion, duly seconded, the following resolutions were submitted to a vote and unanimously adopted, namely:

RESOLVED AND DECLARED that in the opinion of this Board it is advisable to change the name of this Company from United States Tube Company to National Tube Company; and to increase the authorized Capital Stock of this Company from $75,000 to $80,000,000, to consist of 400,000 shares of 7% Cumulative Preferred Stock and 400,000 shares of Common Stock, of the par value of $100. each; and to amend Article Fourth of the Certificate of Incorporation of this Company to read as follows:

FOURTH: The amount of the total authorized Capital Stock of the corporation is eighty million dollars; the number of shares into which the Capital Stock is divided is eight hundred thousand, consisting of four hundred thousand shares of 7% Cumulative Preferred Stock and four hundred thousand shares of Common Stock, and the par value of each share is one hundred dollars: The amount of Capital Stock with which it will commence business is five thousand dollars, consisting of twenty-five shares of Preferred Stock and twenty-five shares of Common Stock.

From time to time the Preferred Stock and the Common Stock shall be issued in such amounts and proportion as shall

be determined by the Board of Directors, and as may be permitted by law.

The holders of the Preferred Stock are entitled to cumulative dividends thereon at the rate of, but not exceeding, seven per centum for each and every fiscal year of the Company, payable out of any and all surplus or net profits, quarterly, half-yearly or yearly, when declared by the Board of Directors; and, in addition thereto, in the event of the dissolution or liquidation of the corporation, the holders of the Preferred Stock shall be entitled to receive the par value of their Preferred shares and all accumulated dividends out of the assets of the corporation, before anything shall be paid therefrom to the holders of the Common Stock.

(Special Meeting of Stockholders June 16, 1899.)

A Special Meeting of the Stockholders of the United States Tube Company, was held at the principal office of the Company in New Jersey, No. 76 Montgomery Street, Jersey City, on Friday, the 16th day of June, 1899, at ten o'clock A. M., * * *

Mr. Wharton offered the following Premable (sic) and Resolutions, which upon his motion, duly seconded, were duly and unanimously adopted, namely:

WHEREAS, * * *

RESOLVED, FURTHER: That this Company do purchase from Wm. Nelson Cromwell and Edmund C. Converse, Consolidation Purchasers, the property mentioned in the following contract for the sum of $79,995,000. payable as follows: $39,997,500. thereof in the Seven per cent. Cumulative Preferred Capital Stock of this Company, at par; and $39,997,500. in the Common Capital Stock of this Company, at par; and that this Company do enter into further contract with said Wm. Nelson Cromwell and Edmund C. Converse, Consolidation Purchasers, substantially in the following form, viz.:

THIS AGREEMENT made this 27th day of June, 1899, by and between UNITED STATES TUBE COMPANY (hereinafter called NATIONAL TUBE COMPANY the Tube Company, (sic) party of the first part; and William Nelson Cromwell and Edmund C. Converse, as joint tenants and not as tenants in common (hereinafter called the Consolidation Purchasers), parties of the second part, Witnesseth:

WHEREAS, under and in pursuance of a certain agreement between the parties hereto, dated February 21st, 1899, the Consolidation Purchasers have caused expert examination to be made of substantially all of the corporations and firms mentioned in Article I of said Agreement, and after prolonged negotiations, having acquired control of the stocks or properties of all or of substantially all of said corporations or firms, are now ready to make delivery of such stocks or properties as in said Agreement proposed; but the Tube Company now considers it desirable to acquire the stocks or properties of only part of the corporations or firms mentioned in the said Article I of the said Agreement of February 21st, 1899; and

WHEREAS, by the mutual agreement of the parties hereto, the fair and reasonable value of all of the property, capital stocks and interests specified in Article I of said Agreement of Februry 21st, 1899, which, for the reasons aforesaid, now are omitted from conveyance or delivery to the Tube Company, has been abated and reduced from the fair and reasonable value of the property, capital stocks and interests to be conveyed and delivered as hereinafter set forth, to the Tube Company, under the provisions of this Agreement; and

WHEREAS, except upon the terms of this Agreement and for the price and consideration hereinafter stated, the Consolidation Purchasers have declined to avail themselves of their option and right under the said Agreement of February 21st, 1899, to sell or deliver to the Tube Company, the properties hereinafter named, at the aggregate price stated in said Agreement of February 21st, 1899, or at any price less than that hereinafter stated—the Consolidation Purchasers now having the right and power, in their discretion to convey

and deliver any and all of said property, capital stocks and other interests to any corporation or person and not necessarily to the Tube Company; and

WHEREAS, after full consideration of the value to the Tube Company for its corporate purposes of the properties hereinafter mentioned, and after consideration of the careful, special and professional reports upon such properties made by reputable and competent chartered public accountants and mechanical experts, and in view of the large increase in the assets and value of the assets of the said corporations and firms beyond the amounts estimated at the time of the making of the said Agreement of February 21st, 1899, the Board of Directors of the Tube Company has ascertained, adjudged and determined that the shares of capital stock and properties of the said several corporations and firms hereinafter mentioned, in a single block, with their good will and assured earning power under the economies of operation indicated by such reports and appraisements, together with the sum of two million five hundred thousand dollars ($2,500,000.) in cash, are and will be worth to the Tube Company, for its corporate purposes, a sum in cash equal at least to the par value of all of the Preferred Stock and all of the Common Stock of the Tube Company, which is to be issued therefor under the terms of this Agreement:

NOW, THEREFORE, in consideration of the premises, and of the sum of one dollar to each by the other in hand paid, the receipt of which hereby is acknowledged and of the mutual agreements herein contained:

ARTICLE I. The parties hereto agree to omit and exclude, and hereby they do omit and exclude, from this transaction, and from the transfer and delivery to the Tube Company, and from the price hereinafter stated, the following corporations or partnerships mentioned in Article I of the said Agreement of February 21st, 1899, and the property, plants, good-will, etc., of every such corporation or partnership, to wit:

National Supply Company,
Jarecki Manufacturing Co. (Oil Department),
A. M. Byers,

Spang, Chalfant & Co.,
Pittsburgh Tube Co.,
Reading Iron Co., (Lease or Agency),
Conshohocken Galvanizing Works,
Conshohocken Tube Co.,
Longmead Iron Co.,
Western Tube Co. (two-thirds stock),
Tyler Pipe & Tube Co.;

and said Agreement is modified accordingly.

ARTICLE II. The Tube Company will purchase and will receive from the Consolidation Purchasers, their heirs, executors, administrators, survivors and assigns, within the period specified in said Agreement of February 21st, 1899, certain properties and good-will of the following named corporations or firms, or at least a majority of the capital stock or interests in such corporations or firms, viz.:

National Tube Works Company,
Riverside Iron Works,
Pennsylvania Tube Works,
American Tube & Iron Company,
Ohio Tube Company,
National Galvanizing Works,
Oil Well Supply Company's Continental Tube Works and Elba Iron Works,
Oil City Tube Company,
Morris Tasker & Co., and
Delaware Iron Company's Pipe and Tube Works,
Allison Manufacturing Company's Tube Mill,
Chester Pipe and Tube Company,
Syracuse Tube Company,
Cohoes Tube Works;

Also:

Western Tube Company,
(Contract until 1902 and one-third stock ownership),
Heeven Plant, Morristown, Pa.

together with two million five hundred thousand dollars, additional, in money, all for the agreed price and total consideration of $79,995,000, which the Tube Company will pay therefor as follows, viz.: One half thereof in its Seven Per Cent. Cumulative Preferred Stock, at par, and one half thereof in its Common Stock, at par; and the Tube Company as part consideration, also assumes and agrees to duly perform and carry out the contracts and obligations made by the said Cromwell and Converse with certain of their Vendors, of which a summary is set forth in the Schedule hereto attached and made a part hereof.

The Tube Company will cause its capital stock to be duly increased to the sum of $80,000,000, of which one-half shall be such Preferred Stock and one-half shall be such Common Stock.

ARTICLE III. Except as hereby modified and agreed, said Agreement of February 21, 1899, is hereby confirmed and continued.

ARTICLE IV. Upon the terms and conditions and for the considerations above set forth, and upon full performance by the Tube Company of all its obligations hereunder, the Consolidation Purchasers, on or before the 25th day of August, 1899, will convey and transfer to the Tube Company such properties and good will of the several corporations or firms hereinabove mentioned in Article II hereof, or at least a majority of the capital stocks or interests in each of such corporations or firms, and therewith will pay and deliver to the Tube Company the sum of two million five hundred thousand dollars ($2,500,000) in cash; and in the event of the failure or neglect or refusal of the Consolidation Purchasers fully and promptly to perform this stipulation on their part, they shall and will pay to the Tube Company the sum of one hundred thousand dollars ($100,000), which is hereby mutually agreed upon as liquidated damages for such failure on the part of the Consolidation Purchasers.

IN WITNESS WHEREOF the Tube Company has caused these presents to be signed by its President, sealed with its cor-

porate seal and attested by its Secretary, and the parties of the second part have hereunto set their hands and seals, the day and year first hereinabove written.

UNITED STATES TUBE COMPANY,
NATIONAL TUBE COMPANY,
By
WILLIAM P. CHAPMAN, JR.,
President.

(Corporate Seal).
Attest:
ALBERT S. RIDLEY,
Secretary.

SCHEDULE A.

RE RIVERSIDE:

F. J. Hearne and J. D. Culbertson to be engaged for at least five years upon salaries not less than the salaries being received by them from the Riverside Iron Works, as General Manager, Secretary and Treasurer, respectively; the salaries to be paid by the Tube Company to be with reasonable regard to the larger duties and responsibilities of their new positions; and that upon organiza (sic) of the Company, Mr. F. J. Hearne shall serve as a Vice President, and Mr. Culbertson shall act in relation to the Riverside Iron Works Plant substantially as on March 11, 1899, or otherwise as may be agreed upon between him and this Company.

And the Tube Company to waive and release all claims in respect of salaries and additional compensations paid officers of said Company in excess of amounts authorized by the By-Laws.

RE OIL WELL SUPPLY COMPANY:

The Tube Company to make, assume and become party to Bill of Sale and certain Agreement, each dated
between the Oil Well Supply Company and the Tube Company, copy of which is now exhibited to the Tube Company.

and the original of which has been deposited with the Colonial Trust Company.

The Tube Company to assume the contract of the Oil Well Supply Company for the employment of Thomas J. Bray for the period of five years from Jan. 1st, 1899, at a salary of ten thousand dollars ($10,000.) per annum

RE AMERICAN TUBE & IRON COMPANY:

The Tube Company to engage A. S. Matheson, James H. Matheson and George Matheson for the period of five years as to A. S. Matheson and James H. Matheson, and for the period of two years as to George Matheson, upon compensation not less than that being received by them from the A. T. & I. Co., March 25, 1899, and upon duties to be determined by the Board of Directors of the Tube Company.

And the Tube Company to assume and enter into contract for purchase of and payment of merchandise and accounts and bills receivable, etc., of which a copy is now submitted to it and the original of which is on deposit with the Colonial Trust Company.

RE OHIO TUBE COMPANY:

The National Tube Company to assume the Contract between the Ohio Tube Co., and the Union Tube & Iron Co., dated September 1, 1897, as amended by the further contract between the Union Tube & Iron Co., the Falcon Iron & Nail Co., and the Ohio Tube Co., dated March 5, 1898; and, further, that the U. T. & I. Co., may declare dividends upon its capital stock of any surplus in excess of its capital stock of fifty thousand dollars ($50,000), and if upon consummation of purchase hereunder, such surplus shall not have been so divided by the U. T. & I. Co., then the National Tube Co., shall pay to the Ohio Tube Co., a sum in money equal to the amount of such surplus which the Ohio Tube Co., may be entitled to receive from the U. T. & I. Co.

And the Tube Company to assume and enter into contract for purchase of and payment for merchandise under agreement submitted to it and the original of which is on deposit with Colonial Trust Company.

National Tube Works Co.:

The National Tube Company to employ Arthur F. Luke as its Treasurer, or any other equivalent office satisfactory to him, at its New York office, for the period of five years at a compensation of twenty-five thousand ($25,000) dollars per annum.

Allison Manufacturing Company:

The National Tube Company to enter into Lease and Contract dated between it and the Allison Manufacturing Company, in the form now exhibited to the Tube Company, and the original of which has been deposited with the Colonial Trust Company.

Cohoes Tube Works:

The National Tube Company to engage John Don and Henry Aird for five years, as Managers of the Cohoes Tube Works, at a salary of ten thousand dollars ($10,000) per annum to cover the services of said Don and Aird, or the survivor of them.

Syracuse Tube Company:

The National Tube Company to agree that the Plant of the Syracuse Tube Company shall be operated continuously and in the same line of business, as heretofore, for a period of at least five years.

The Tube Company to employ J. Morrison Colwell for a period of five years, to perform such duties in and about the Syracuse Tube Plant as may be determined by the Board of Directors of the National Tube Company, at a salary of not less than thirty-five thousand dollars ($35,000) per annum.

The National Tube Company to employ George Timmins for five years as General Manager of the Syracuse Tube Plant, or other property of at least equivalent capacity, and to perform such other duties in its Mercantile Department as may be assigned to him and at such places as the Tube Company may designate, at a salary of twelve thousand ($12,000) dollars per annum; said Timmins not to enter into competitive business with (*sic*) said period.

The National Tube Company to engage Andrew Telfer for five years as Superintendent of the Syracuse Tube Plant,

or any other property of at least equivalent capacity, and to perform such other duties in the Mechanical Department as may be assigned to him and at such places as the National Tube Company may designate, at a salary of twelve thousand dollars ($12,000) per annum; said Telfer not to enter into competitive business within said period and all his inventions made during such period to belong to the Tube Company.

Re Morris Tasker & Co.

Delaware Iron Co.:

The Tube Company to assume and enter into contract for the purchase of and payment for merchandise under Bill of Sale submitted to it, and the original of which is on deposit with the Colonial Trust Company.

Resolved, Further; that the President and Secretary of this Company be and they are hereby authorized and directed to execute, acknowledge and deliver said Contract for and in behalf of this Corporation and under its corporate seal;

Resolved, Further: That the President and Treasurer of this Company be and they are hereby authorized and directed, in the name and on behalf of this Company, and under its corporate seal, from time to time, to issue and deliver or cause to be issued and delivered, proper Certificates of shares in the Preferred and Common Stock of this Company up to the full amount of $39,997,500 of such Preferred Stock and $39,997,500 of such Common Stock, as called for in compliance with the provisions of said Contract with Wm. Nelson Cromwell and Edmund C. Converse, Consolidation Purchasers, authorized at this meeting, and to deliver all of such Certificates in such proportions and amounts, and in respect of such portions of said properties to be delivered to this Company as may be deemed necessary and convenient for the complete fulfillment of the purpose; to reserve and receipt for any property deliverable to this Company thereunder; and generally, to do, execute and perform all such acts, instruments and things as from time to time they may deem necessary or proper fully to carry into effect the purposes of the aforesaid Contract and these Resolutions.

The Secretary read a Resolution duly adopted by the Board of Directors of this Company, at their meeting held on the 15th day of June, 1899, as follows:

Resolved and Declared that in the opinion of this Board it is advisable to change the name of this Company from United States Tube Company to National Tube Company; and to increase the authorized Capital Stock of this Company from $75,000 to $80,000,000, to consist of 400,000 shares of 7% Cumulative Preferred Stock and 400,000. shares of Common Stock, of the par value of $100. each; and to amend Article Fourth of the Certificate of Incorporation of this Company to read as follows:

Fourth: The amount of the total authorized Capital Stock of the Corporation is eighty million dollars; the number of shares into which the Capital Stock is divided is eight hundred thousand, consisting of four hundred thousand shares of 7% Cumulative Preferred Stock and four hundred thousand shares of Common Stock, and the par value of each share is one hundred dollars. The amount of Capital Stock with which it will commence business is five thousand dollars, consisting of twenty-five shares of Preferred Stock and twenty-five shares of Common Stock.

From time to time the Preferred Stock and the Common Stock shall be issued in such amounts and proportion as shall be determined by the Board of Directors, and as may be permitted by law.

The holders of the Preferred Stock are entitled to cumulative dividends thereon at the rate of, but not exceeding seven per centum for each and every fiscal year of the Company, payable out of any and all surplus or net profits, quarterly, half-yearly or yearly, when declared by the Board of Directors; and, in addition thereto, in the event of the dissolution or liquidation of the corporation, the holders of the Prefered Stock shall be entitled to receive the par value of their Preferred shares and all accumulated dividends out of the assets of the corporation before anything shall be paid therefrom to the holders of the Common Stock.

No dividend shall be paid on the Common Stock until a dividend of seven per centum for each and every fiscal year of the Company shall have been paid in full upon the Cumulative Preferred Stock.

After providing for the payment of the cumulative dividends upon the Preferred Stock, all dividends which may be declared out of the surplus or net profits shall be payable to the holders of the Common Stock; and to amend the proviso at the end of the first paragraph of Article Seventh of the said Certificate of Incorporation to read as follows:

PROVIDED that no mortgage lien upon any real property of the Company shall be created without the previous consent of the holders of at least eighty per centum in amount of each class of its stock then outstanding.

RESOLVED, FURTHER, that a meeting of the Stockholders of this Company be and is hereby called to be held at the Company's principal office in New Jersey, No. 76 Montgomery Street, Jersey City, on the 16th day of June, 1899, at 10 o'clock A. M., to take action upon the subject matter of the foregoing Resolution.

The President explained that the date of the aforesaid meeting of the Stockholders had been fixed for the 16th instant, by reason of the acquiescence of the holders of every share of the Company's Capital Stock issued and outstanding, to such short notice.

On motion, duly seconded, the following Resolution was therefore submitted to a vote, and unanimously adopted, namely:

RESOLVED, that the name of this Company be and is hereby changed from United States Tube Company to National Tube Company; that the authorized capital stock of this Company be and is hereby increased from $75,000 to $80,000,000 to consist of 400,000 shares of 7% Cumulative Preferred Stock and 400,000 shares of Common Stock of the par value of $100. each; and that Article Fourth and Article Seventh of the Certificate of Incorporation of this Company

be and are hereby amended as set forth in the Resolution of the Board of Directors read to this meeting.

The holders of each and every share of the Preferred and Common Stock of the Company also signed a written Assent to all of the changes specified in the foregoing Resolution.

There being no further business, on motion, duly seconded, the meeting adjourned.

WM. P. CHAPMAN, JR.,
President.

ALBERT S. RIDLEY,
Secretary.

At a Special Meeting of the Board of Directors of the NATIONAL TUBE COMPANY, duly held at No. 45 Wall Street, New York City, on the 27th day of June, 1899, at 4 o'clock P. M., pursuant to due waiver of notice and call, signed by each Director.

There were present Messrs. William P. Chapman, Jr., Charles A. Tatum and Clifton Wharton, Jr., constituting the entire Board.

The meeting was called to order, and Mr. Chapman, the President presided, and Mr. Albert S. Ridley, the Secretary of the Company, performed the duties of his office.

The President stated that the Certificate of the change of the name of this Company to National Tube Copmany, the increase of the capital stock to $80,000,000, and the other changes in the Certificate of Incorporation had been recorded in the office of the Clerk of Hudson County, and duly filed in the office of the Secretary of the State of New Jersey and all fees paid, and that these changes are now duly and legally effected.

The minutes of the Special Meeting of the Board of Directors, held June 15, 1899, were read and approved.

The Secretary presented and read the proceedings of the stockholders of the Company, at their meeting held June 16, 1899.

Upon motion, the meeting resumed consideration of the Preamble and Resolutions (and contract therewith) presented

at the meeting of this Board held June 15, 1899, and since then approved by the Stockholders.

Upon invitation of the Board, Messrs. William Nelson Cromwell and Edmund C. Converse, the Consolidation Purchasers, appeared in person before the Board, and upon request of the Board they made a very full and complete statement as to the status and value of each of the properties referred to in the Contract of February 21, 1899, and in the proposed further contract now under consideration. The gentlemen named advised the Board that the Companies or firms now proposed to be acquired by the Company, as indicated in the proposed further contract under consideration, represented the great preponderance of the Wrought Iron and Steel Tube & Pipe industry in the United States (over 85% of the pipe and tube making capacity of all such mills in this Country); that aside from their own intimate knowledge of the subject gained during many years experience in this particular industry, they had caused elaborate investigations and reports to be made by Messrs. Jones, Caesar & Co., Chartered Accountants, and by Messrs. Julian Kennedy and Robert Forsyth, Mechanical and Construction Engineers, the work of investigation being special as to each particular property and corporation, and covering the past ten years; they submitted to the meeting all such reports and statements, and the Board examined and studied the same fully; it appeared from such investigation, that the combined net earnings from the operations of the selected corporations and firms for the current year of 1899, will be over six million dollars; that there will be included in the sale over ten million dollars of quick assets (merchandise, supplies, bills receivable, accounts receivable and cash); that the amount of net earnings will undoubtedly be largely increased if the properties be consolidated or operated under a single ownership or management, whereby large economies in freight, salaries, agents and agencies, advertising and other expenses can be effected, and the earning capacity of the properties to be acquired, greatly increased.

The gentlemen named further stated, that the quick assets of the Companies selected by this Corporation had turned out to be much larger than was believed when the

Contract of February 21st, 1899 was made, and that the value of the properties originally named and also of those now selected is much greater than was originally believed, and that in view of the greater value of such properties and the greater value of their quick assets as well as of their patents and foreign business, their increased earnings and earning power and all other facts and circumstances of the case, they were of opinion that the properties proposed to be acquired by this Company, taken together, were actually worth not less than $80,000,000 and that they valued them at more than that price; and moreover that they would not exercise their option to sell the properties mentioned in the original Contract at the price therein stated and would not avail of the option on said terms but reserved to themselves the right and power to sell and deliver any or all of the properties in question to any other corporation or to any person upon terms acceptable to them.

The Directors severally interrogated Messrs. Cromwell and Converse upon the said reports and the whole subject and as fully as the Board desired, and Messrs. Cromwell and Converse stated that they submitted themselves to the fullest inquiry. The subject was fully discussed by the Directors and the status, condition and value of each selected company or firm was considered as were also the status, condition and value of the selected property as amalgamated and as in one single block.

Mr. Wharton thereupon again offered the Preamble and Resolutions (and Contract therewith) submitted to the meeting of the Board held June 15th, 1899 and adopted by the Stockholders at their meeting held June 16th, 1899 as follows:

WHEREAS, under and in pursuance of a certain Agreement between this Company and Wm. Nelson Cromwell and Edmund C. Converse, dated February 21st, 1899, the said Cromwell and Converse have caused expert examinations to be made of substantially all of the corporations and firms mentioned in Article I of said Agreement, and after prolonged

negotiations, having acquired control of the stocks or properties of all, or substantially all, of said corporations or firms, are now ready to make delivery of such stocks or properties as in said Agreement proposed; but the Tube Company now considers it desirable to acquire the stocks or properties of only part of the corporations or firms mentioned in the said Article I of the said Agreement of February 21st, 1899; and

WHEREAS, by the mutual agreement of the parties to said Agreement, the fair and reasonable value of all of the property, capital stocks and interests specified in Article I of said Agreement of February 21st, 1899, which, for the reasons aforesaid, are now omitted from Conveyance or delivery to this Company, has been abated and reduced from the fair and reasonable value of the property, capital stocks and interests to be conveyed and delivered to this Company as hereinafter set forth; and

WHEREAS, except upon the terms of the Agreement hereinafter authorized and for the price and consideration hereinafter stated, the said Wm. Nelson Cromwell and E. C. Converse have declined to avail themselves of their option and right under the said Agreement of February 21st, 1899, to sell or to deliver to this Company the properties hereinafter named at the aggregate price stated in said Agreement of February 21st, 1899, or at any price less than that hereinafter stated, the said Messrs. Cromwell and Converse now having the right and power, in their discretion, to convey and deliver any and all of said property, capital stocks and other interests to any corporation or person and not necessarily to this Company; and

WHEREAS, it is for the best interest of this Company and necessary for its business to purchase in one block the property hereinafter stated, upon the terms hereinafter stated; and it is also desirable for this Company to acquire, with such property, additional working capital to the amount of $2,500,000; and

WHEREAS, all, or at least a majority of the shares of capital stock, or interest in, the several corporations or firms hereinafter mentioned as the property now to be purchased

by this Company, taken together and representing the great preponderance of the Wrought Iron and Steel Tube and Pipe industry in the United States, and with $2,500,000 in money, are worth a sum greatly in excess of the aggregate value of such shares and property estimated separately:

IT IS RESOLVED AND DECLARED: that after full consideration of the value to this Company, for its corporate purposes, of the properties hereinafter mentioned, and after consideration of the careful, special and professional reports upon such properties made by reputable and competent chartered public accountants and mechanical experts, and in view of the large increase in the assets and the value of the assets of the said corporations and firms beyond the amounts estimated at the time of the making of the said Agreement of February 21st, 1899, the Board of Directors of this Company does hereby ascertain, adjudge and determine that the capital stock and properties, of a majority of each thereof, of the said several corporations and firms hereinafter mentioned, in a single block, with their good will and assured earning power under the economies of operation indicated by such reports and appraisements, together with the sum of two million five hundred thousand dollars ($2,500,000) in cash, are and will be worth to this Company, for its corporate purposes, a sum in cash equal at least to the Par Value of all of the Preferred Stock and all of the Common Stock of this Company, which is to be issued therefor under the terms of the further agreement between this Company and said Wm. Nelson Cromwell and E. C. Converse and hereinafter adopted:

RESOLVED, FURTHER: That this Company do purchase from Wm. Nelson Cromwell and Edmund C. Converse, Consolidation Purchasers, the property mentioned in the following contract for the sum of Seventy-nine million, nine hundred and ninety-five thousand Dollars ($79,995,000) payable as follows: Thirty-nine million, nine hundred and ninety-seven thousand, five hundred Dollars ($39,997,500) thereof in the Seven Per Cent. Cumulative Preferred Capital Stock of this Company, at par; and Thirty-nine million, nine hundred and ninety-seven thousand, five hundred Dollars ($39,997,500) in

the Common Capital Stock of this Company at par; and the Tube Company as part consideration also assumes and agrees to duly perform and carry out the contracts and obligations made by said Cromwell and Converse with certain of their Vendors, of which a summary is set forth in the Schedule attached to the Contract next referred to; and that this Company do enter into further contract with said Wm. Nelson Cromwell and Edmund C. Converse, Consolidation Purchasers, substantially in the following form, viz:

(Note: Here follows the agreement dated June 27, 1899, together with the schedule thereto attached as previously set forth on page 370 to page 377 inclusive.)

RESOLVED, FURTHER: That the President and Secretary of this Company be and they are hereby authorized and directed to execute, acknowledge and deliver said Contract for and in behalf of this Corporation and under its corporate seal;

RESOLVED, FURTHER: That the President and the Treasurer of this Company be and they are hereby authorized and directed, in the name and on behalf of this Company, and under its corporate seal, from time to time, to issue and deliver, or cause to be issued and delivered, proper Certificates of shares in the Preferred and Common Stock of this Company up to the full amount of Thirty-nine million, nine hundred and ninety-seven thousand, five hundred Dollars ($39,997,500) of such Preferred Stock and Thirty-nine million, nine hundred and ninety-seven thousand, five hundred Dollars ($39,997,500) of such Common Stock, as called for in compliance with the provisions of said Contract with Wm. Nelson Cromwell and Edmund C. Converse, Consolidation Purchasers, authorized at this meeting, and to deliver all of such Certificates in such proportions and amounts, and in respect of such portions of said properties to be delivered to this Company as may be deemed necessary and convenient for the complete fulfillment of the purpose; to receive and receipt for any property deliverable to this Company thereunder; and generally, to do, execute and perform all such acts, instruments and things as from time to time they may deem necessary or proper to fully carry into effect the purposes of the aforesaid Contract and these Resolutions.

Resolved, that as part consideration upon the purchase by this Company of certain property from Wm. Nelson Cromwell and Edmund C. Converse, as Consolidation Purchasers, under their Agreements with this Corporation, this, the National Tube Company, does hereby assume and agree to duly perform and carry out the following generally described provisions or covenants of the Contracts made by them with certain of their Vendors, namely:

Re Riverside:

Mr. F. J. Hearne and J. D. Culbertson be and they are hereby engaged in the business of this Company for a period of at least five years from the commencement of operations by this Company, upon salaries not less than the salaries being received by them on March 11th, 1899, from the Riverside Iron Works for duties then discharged by them as General Manager and Secretary and Treasurer, respectively; and the salaries to be paid by this Company shall be with reasonable regard to the larger duties and responsibilities of their new positions; and that upon organization of this Company, Mr. F. J. Hearne shall serve as First Vice President of this Company and Mr. Culbertson shall act in relation to the Riverside Iron Works Plant substantially as he did on March 11th, 1899, or otherwise as may be agreed between him and this Company.

It being understood and agreed that the [illegible]ors under the Agreement of March 11th, 1899, and said [illegible]rs. Hearne and Culbertson accept this Company as the contracting party, in lieu, and instead of said Messrs. Cromwell and Converse, and that they do release and discharge the latter from the provisions in that regard, of their Contract with them. And further that this Company waives and releases all claims in respect of salaries and additional compensations paid officers of said Company in excess of amounts authorized by the By-Laws.

Re Oil Well Supply Company.

That this Company do accept, assume and enter into the certain Bill of Sale and the certain Agreement, each dated

between the Oil Well Supply Company and this Corporation in the form submitted to this meeting and the originals of which are on deposit in escrow with the Colonial Trust Company of this City.

It being understood and agreed that said Oil Well Supply Company accepts this Company as the contracting party in lieu and in stead of Messrs. Cromwell and Converse, and that it releases and discharges the latter from the provisions in that regard, of their Contract with it.

And Further, that the Contract between Thomas J. Bray and the Oil Well Supply Company, for his employment for the period of five years from January 1st, 1899, at a salary of Ten thousand Dollars ($10,000) per annum, be and the same is hereby assumed by this Corporation.

It being understood and agreed that said Bray shall recognize and receive said Contract with this Corporation direct, and that both the Oil Well Supply Company and said Bray accept this Company as the contracting party in lieu and in stead of Messrs. Cromwell and Converse, and that they both release and discharge the latter from the provisions in that regard, of their contract with them or either of them.

Re American Tube & Iron Company.

That Messrs. A. S. Matheson, James H. Matheson and George Matheson are hereby engaged in the business of this Company for the period of five years as to A. S. Matheson and James H. Matheson, and for the period of two years as to said George Matheson, upon compensation not less than that being received by them on March 25th, 1899, from the American Tube & Iron Company, and upon duties to be determined by the Board of Directors of this Company. And this Company assumes and enters into the contract for the purchase of or payment for merchandise and bills and accounts receivable &c. of which a copy is now submited to this meeting and the original of which is on deposit with the Colonial Trust Co.

It being understood and agreed that said American Tube & Iron Company and the Receivers thereof and the Vendors under the Agreement with said Cromwell and Converse, as

well as said A. S. Matheson, James H. Matheson and George Matheson, accept this Company as the contracting party in lieu and instead of Messrs. Cromwell & Converse, and that they severally release and discharge the latter from the provisions, in that regard, of their Contract with them or either of them.

RE OHIO TUBE COMPANY.

That this Company assumes and agrees to perform the certain Contract between the Ohio Tube Company and the Union Tube and Iron Company dated, September 1st, 1897, as amended by the further Contract between the Union Tube & Iron Company, the Falcon Iron & Nail Company and the Ohio Tube Company, dated March 5th, 1898.

AND FURTHER, it is recognized and agreed that the Union Tube & Iron Company may declare dividends upon its capital stock of any surplus in excess of its capital stock of $50,000, and if upon the consummation of purchase hereunder such surplus shall not have been so divided by the Union Tube & Iron Company, then this, the National Tube Company shall pay, to the Ohio Tube Company, a sum in money equal to the amount of such surplus which the Ohio Tube Company may be entitled to receive from the Union Tube & Iron Company.

That this Company assumes and enters into Contract for the purchase of and payment for merchandise under agreement submitted to this meeting and the original of which is on deposit with the Colonial Trust Company.

It being understood and agreed that said Ohio Tube Company and the Vendors under the Agreement with said Cromwell and Converse, accept this Company as the contracting party in lieu and instead of Messrs. Cromwell and Converse, and that they severally release and discharge the latter from the provisions, in that regard, of their Contract with them or either of them.

RE NATIONAL TUBE WORKS COMPANY.

That this Company hereby agrees to employ, and does hereby employ, Arthur F. Luke as Treasurer of the National Tube Company, or other equivalent office satisfactory to him, at its offices in the City of New York, for the period of five years from the commencement of operations by this Company at a compensation of Twenty-five thousand Dollars ($25,000) per annum, payable in monthly instalments;

It being understood and agreed that said Arthur F. Luke accepts this Company as the contracting party in lieu and instead of Messrs. Cromwell and Converse, and that he releases and discharges the later from any obligation in that regard.

RE ALLISON MANUFACTURING COMPANY.

That this Company hereby accepts and enters into the certain Lease and the certain Agreement between this Company and the Allison Manufacturing Company, in the form submitted to this meeting, and the originals of which have been deposited with the Colonial Trust Company of this City.

It being understood and agreed that said Allison Manufacturing Company accepts this Corporation as the contracting party in lieu and instead of Messrs. Cromwell and Converse, and it releases and discharges the latter from the provisions, in that regard, of their Contract with them.

RE MORRIS TASKER & CO.

DELAWARE IRON CO.

That this Company hereby assumes and enters into the Contract for the purchase of and payment for merchandise, of which a copy is submitted to this meeting, and the original of which is on deposit with the Colonial Trust Company; it being understood and agreed that said Morris Tasker & Co., and Delaware Iron Co., and the Stockholders thereof, accept this corporation as the contracting party, in lieu and instead of Messrs. Cromwell and Converse, and release and discharge the latter from the provisions, in that regard, of their contract with them.

Re Cohoes Tube Works.

That John Don and Henry Aird are hereby engaged for the period of five years from the commencement of business by this Company, as Managers of the Cohoes Tube Works property, at a salary of ten thousand dollars ($10,000) per annum, to cover the services of said Don and Aird, or the survivor of them.

It being understood and agreed that said Don and Aird, and the other Vendors of said property, accept this Company as the contracting party, in lieu and instead of said Messrs. Cromwell & Converse, and that they do release and discharge the latter from the provisions, in that regard, of their Contract with them.

Re Syracuse Tube Company.

(*a*) It is hereby agreed that the Plant of the Syracuse Tube Company, acquired by this Corporation, shall be operated continuously and in the same line of business as heretofore, for a period of five years from the purchase thereof by this Company;

It being understood and agreed that the Vendors under their Agreement with said Messrs. Cromwell and Converse, hereby accept this Company as the contracting party, in lieu and instead of Messrs. Cromwell & Converse, and that they do release and discharge the latter from the provisions, in that regard, of their contract with them.

(*b*) That Mr. J. Morrison Colwell be and is hereby engaged by this Company for a period of five years from the commencement of operations by this Company, to perform such duties in and about said Syracuse Tube Company Plant as may be determined by the Board of Directors of this Company, at an annual salary of thirty-five hundred dollars ($3,500);

It being understood and agreed that the Vendors under their Agreement with said Messrs. Cromwell and Converse, and also the said J. M. Colwell, accept this Company as the contracting party, in lieu and instead of said Messrs. Crom-

well and Converse, and that they do release and discharge the latter from the provisions, in that regard, of their Contract with them.

(*c*) That this Company engages George Timmins for a period of five years from the commencement of business by this Company, as General Manager of the Syracuse Tube Works Plant, or any other property of at least equivalent capacity, and to perform such other duties in its Mercantile Department as may be assigned to him, and at such places as this Company may designate, at a compensation of twelve thousand dollars ($12,000) per annum—said Timmins agreeing not to enter into competitive business with (*sic*) such period of five years; said Contract being in the form submitted to this meeting.

It being understood and agreed that said Timmins accepts this Company as the contracting party, in lieu and instead of said Messrs. Cromwell and Converse, and that he does release and discharge the latter from the provisions, in that regard, of their contract with him.

(*d*) That this Company engages Andrew Telfer for the period of five years from the commencement of business by this Company, as Superintendent of the Syracuse Tube Works Plant, or any other property of at least equivalent capacity, and to perform such other duties in its Mechanical Department as may be assigned to him, and at such places as this Company may designate, at a compensation of twelve thousand dollars ($12,000) per annum—said Telfer agreeing not to enter into competitive business within such period of five years, and that all his inventions made during said period shall belong to this Company; said Contract being in the form submitted to this meeting;

It being understood and agreed that said Telfer accepts this Company as the contracting party, in lieu and instead of said Messrs. Cromwell and Converse, and that he does release and discharge the latter from the provisions, in that regard, of their Contract with him;

Resolved, Further, that upon the request and under the advice of General Counsel to this Company, each of the parties

named in these Resolutions as assuming divers Contracts, be required to enter into specific and direct Contract with this corporation in accord with the provisions of this Resolution; and the Executive Officers of this Company are hereby authorized to execute and deliver such Contracts;

"Resolved, Further, that as part consideration upon such purchase by this Company from Messrs. Wm. Nelson Cromwell and Edmund C. Converse, Consolidation Purchasers, this Company assumes and agrees to purchase and pay for the merchandise and supplies covered by the contracts therefor submitted to this meeting, and the originals of which are on deposit with the Colonial Trust Company, with the following named parties, viz.:

Oil Well Supply Company, about	110,000,
Ohio Tube Company, about	10,000,
Allison Manufacturing Co., about	300,000
Morris Tasker & Co. & Delaware Iron Company, about	275,000,"

and the merchandise, supplies, bills and accounts receivable and cash of the American Tube & Iron Company, and to pay the balance if any of the consideration therefor over and above the one million dollars ($1,000,000) in Preferred Stock and nine hundred thousand dollars ($900,000) in Common Stock of this Company thereon provided for by the Consolidation Purchasers; and, further, to facilitate such purchase by this Company and delivery to it, and to save double transfer fees, as well as the risks and delays in double transfers, this Company requests that the Consolidation Purchasers cause such conveyances, transfers and deliveries of property under the Contracts between this Company and the Consolidation Purchasers to be made by the Vendors of such Consolidation Purchasers directly to this Company; and that the capital stock of $79,997,500 be issued to such parties as the Consolidation Purchasers may direct and for their account and it is expressly agreed and understood that all such conveyances, transfers, issues of stock and deliveries are, and shall be deemed to be, consummation of the purchase of the same by this Company from the Consolidation Pur-

chasers and not as a purchase by this Company from such individual Vendors; and, further, that such Consolidation Purchasers are in no sense acting, and have not at any time been acting, as the representatives or agents of this Company, either under any contracts made by them with this Company or with other parties, or in the consummation thereof, but that they are acting solely upon their own account and responsibility and for their individual concern only; and, further, that it is expressly understood and agreed that such Consolidation Purchasers do not warrant the title of any property so delivered, nor the full ownership thereof, but that the same shall be accepted and taken by this Company exactly in the condition in which the same now stands, and subject to any burdens or conditions that may exist in respect to the same;

RESOLVED, FURTHER, that as part consideration upon such purchase by this Company from Messrs. Wm. Nelson Cromwell and Edmund C. Converse, Consolidation Purchasers, and as an essential inducement and consideration to them in the making of such sale and delivery, this Company does hereby agree to indemnify and hold harmless the said Wm. Nelson Cromwell and Edmund C. Converse, their and each of their heirs, executors and administrators, of and from all liability, indebtedness or obligation of any nature, kind, or description, and all suits, costs, counsel fees and other expenses which may arise or to which they may be put to, upon, or by reason of, the several contracts mentioned in the Schedule attached to the agreement of June 27th, 1899, and in the foregoing Resolutions referred to; and the Executive Officers of this Company are authorized to execute and deliver, if and as requested by said Messrs. Cromwell and Converse, such specific Agreement of Indemnity, in accord with this Resolution, as they may require.

RESOLVED, FURTHER, that the Secretary of this Company is authorized and instructed to deliver to Messrs. Wm. Nelson Cromwell and Edmund C. Converse, certified copy of the foregoing Resolutions, as full and sufficient evidence of the action and agreement of this Company; and upon their request, the Executive Officers shall execute and deliver such

further instruments as they may require to more fully effectuate the agreements and purposes aforesaid.

(Directors' Meeting, July 12, 1899.)

Minutes of meeting of the Board of Directors of the National Tube Company, duly held at 45 Wall Street, New York City, on Wednesday the 12th day of July, 1899, at 10:30 o'clock A. M., * * *

Present Messrs. Joshua Rhodes, Charles H. Coster, F. J. Hearne, Francis L. Potts, Daniel O'Day, A. S. Matheson, O. C. Barber, J. N. Vance, Edmund C. Converse, William B. Rhodes, F. R. Tobey, John Eaton, Jonathan Rowland, Horace Crosby, John Don, Wm. Nelson Cromwell, Arthur F. Luke and Henry Aird, being a majority of the Board and a quorum.

* * * * *

The President reported that this Company had purchased and acquired from Wm. Nelson Cromwell and Edmund C. Converse, in fulfillment of their contracts with this Company, more than 80% in each instance, of the Capital Stock of the following named corporations viz.:

The National Tube Works Co.,
The Pennsylvania Tube Works,
The Riverside Iron Works,
The Chester Pipe & Tube Company,
The Oil City Tube Company,
The National Galvanizing Company, and
The Syracuse Tube Company;

Also over one-third of the capital stock of The Western Tube Company.

Also the Plants of the following named corporations or firms, viz.:

American Tube & Iron Company,
Ohio Tube Company,
Allison Manufacturing Co.'s Tube Mill (by Lease and the good will thereof),
Oil Well Supply Co.'s Continental Tube Works and Elba Iron Works.

Cohoes Tube Works,
Hooven Mill at Norristown, Penn.

* * * * *

The President reported that he had received overtures for the sale to this Company of the properties of Messrs. Spang, Chalfant & Co., at Pittsburgh; The Crane Co's Mill at Chicago; Pittsburgh Tube Works. He also reported Conferences with the Reading Iron Works' interest.

The subject was discussed and upon motion it was

RESOLVED: That the President consider the relations of this Company to the four companies named and any others he may deem desirable, to conduct any negotiations he may deem desirable and to report his recommendations thereon at a future meeting.

(Directors' Meeting, August 9, 1899.)

Minutes of meeting of the Board of Directors of the National Tube Company, held at Room 65 No. 45 Wall Street, New York City, on Wednesday the 9th day of August, 1899,

* * *

On the calling of the roll the following Directors were found to be present, viz:

Joshua Rhodes,
Charles H. Coster,
F. J. Hearne,
Francis L. Potts,
Daniel O'Day,
O. C. Barber,
J. N. Vance,
Edmund C. Converse,
John Eaton,
Horace Crosby,
Arthur F. Luke,
John Don,
William J. Curtis,
A. S. Matheson,

William P. Hamilton and
A. H. Gillard,

being a majority of the Board and a quorum.

* * * * * * * * * * *

RESOLVED: that F. J. Hearne, C. H. Coster and A. F. Luke, be and they are hereby appointed a Committee of this Board, to take up and consummate the negotiations heretofore entered into by the President for the option to purchase the Crane Company's Chicago Mill; the Trade Agreement to furnish the Crane Company exclusively with tubular goods as required in the natural distribution of their trade, for the period of ten years; also to acquire the balance of the capital stock of the Western Tube Company, and what is known as the Pittsburgh Tube Company property; and said Committee is hereby given full power to authorize and approve all contracts for the acquisition of said capital stock and properties and the making of said Trade Agreement upon the lines reported by the President; and the Executive officers of this Company are hereby authorized and empowered to execute and deliver such contracts as shall be approved of by said Committee and the General Counsel of the Company.

(Directors' Meeting, November 21, 1899.)

A Regular Meeting of the Board of Directors of the National Tube Company was held at the New York office of the Company, No. 26 Cortlandt Street, New York City, on Tuesday the 21st day of November, 1899, at eleven o'clock A. M., * * *

On the calling of the roll the following Directors were found to be present, viz:

Joshua Rhodes,
Charles H. Coster, (sic)
F. J. Hearne,
Daniel O'Day,
A. S. Matheson
J. N. Vance
Edmund C. Converse
F. R. Tobey

John Eaton
Horace Crosby
John Don
Wm. Nelson Cromwell
Arthur F. Luke
Henry Aird
William J. Curtis

being a majority of the Board and a quorum.

The President also reported that, according to instructions of the Board, the contract with Crane Company had been carried out under the advice of Counsel, who had counselled upon and prepared all papers. Also, that in the same connection the Company had carried out the policy which had been agreed upon and had disposed of its entire equipment in Chicago and St. Louis, thus making a very large saving of expense.

Upon motion the action reported was duly and unanimously approved.

General Counsel reported that pursuant to due authority heretofore given there had been acquired, and are now held as assets of the corporation, all of the property real and personal of the following named corporations, to wit:

Pennsylvania Tube Works,
National Galvanizing Works,
Oil City Tube Company,
Chester Pipe & Tube Company,
Syracuse Tube Company,

and that this Company also held and owned all the shares of Capital Stock of each of the said corporations as further muniment of title.

On motion duly seconded, it was

RESOLVED, that the acquisition by this Company of the property, real and personal, of the Pennsylvania Tube Works, National Galvanizing Works, Oil City Tube Company, be and is hereby in all respects approved, ratified and confirmed.

General Counsel further reported that this Company now owned and held all the shares of the Capital Stock of the

National Tube Works Company and that it was now proper for this Company to arrange to take over the property of that Company to the limit prescribed by the laws of Pennsylvania. Counsel advised that the real estate and plant of the National Tube Works Company, situate in the State of Pennsylvania could not be transferred to this Company by reason of the 100 acre statutory limit, but that all other property of the National Tube Works Company could be transferred to this Company and an arrangement could be made whereby said plant could be operated for the benefit of this Company and the National Tube Works Company, and that such arrangements could be completed upon being authorized by this Board.

It was accordingly

RESOLVED, that the Executive Officers of this Company be authorized to make such arrangements as might be advised by General Counsel by lease, contract, working arrangement or otherwise, to secure the benefits of the operation of the manufacturing plant of said National Tube Works Company in the State of Pennsylvania, and that it take over and acquire, through its ownership of the stock of said Company, of the remaining assets of the National Tube Works Company and all of its real estate outside of the State of Pennsylvania, and that such transfers be made as of July 1st, 1899; and the Executive Officers of this Company are authorized to take such steps as they may be advised are necessary to carry out this Resolution.

General Counsel also reported that all legal obstacles to the transfer of the property of the Riverside Iron Works would probably be removed in time for said property to be transferred and conveyed to this Company before the next meeting of the Board. It was accordingly upon motion duly seconded,

RESOLVED, that the Executive Officers of this Company be and they are hereby authorized to take over all the real and personal property of the Riverside Iron Works, as soon as advised by General Counsel that the same can safely be done without prejudice to the Company's interests under existing contracts of the said Riverside Iron Works; and that in the

acquisition of said property the Executive Officers are authorized to assume on behalf of this Company, and agree to perform, all outstanding and existing contracts and obligations of said Riverside Iron Works, so far as the same may be advised by General Counsel.

(Directors' Meeting held January 16, 1900.)

On motion duly seconded it was

RESOLVED that Messrs. J. P. Morgan & Company be and they are hereby authorized and requested to deliver to the Treasurer of this Company all and singular the certificates of shares of the capital stock of the National Tube Works Company and the Riverside Iron Works, and all other shares of capital stock and all other documents and matters deposited with them by the Consolidation Purchasers for account of this Company; and that the Treasurer be, and he is hereby authorized and directed to receive and receipt for the same, and that such receipt shall be full acquittance and authority to Messrs. J. P. Morgan & Company for such delivery.

The President further reported in regard to the Atlantic Steel & Iron Company, that the Susquehanna Iron & Steel Company and the New Haven Iron & Steel Company object to the proposed amalgamation, and that the plans for a pipe mill will probably not be formulated.

The President also reported in regard to the Union Tube & Iron Company that the annual meeting for the election of Directors would take place on the 17th inst., and that proxies had been given to General Sales Agent Worcester to represent this Company at said meeting, and to have three Directors of said Company elected in the interest of this Company.

The President also stated that he had instructed First Assistant Treasurer Latshaw to give notice to the Union Tube & Iron Company on or before March 1st., that the existing arrangement between the Union Tube & Iron Company, the Falcon Iron & Nail Company and the Warren Department of this Company, would terminate on September 1st, that being the earliest date on which said contract can be terminated.

The action of the President in this regard was unanimously approved.

(Directors' Meeting held Feb. 20, 1900.)

The Treasurer further reported that in accordance with the plan of the Executive Officers of the Corporation, all of the books of the Mill Departments connected with the Company were closed as of date Dec. 31st, 1899, for the purposes of a merchandise appraisal and to fix the results of the operations of the Company for the first six months of its corporate existence. That the work is practically completed, and shows that the net earnings of the Company for the first six months of its operations—July, to December, 1899, inclusive (after appraising all materials on hand at very low figures, ample to guard against contingencies of all kinds, and after making full provision for depreciation, etc.) were $7,909,060.

From these earnings of $7,909,060—there has been paid to the holders of the Preferred Stock of the Corporation two quarterly dividends of 1¾% each calling for an expenditure of $1,400,000, leaving as net profits realized to the Corporation and not paid out to stockholders, the sum of $6,509,060; that no account had been made of the Company's equity in the earnings of the Western Tube Company, of Kewanee, Ill.; that said Company did not close its books nor make any appraisal of its merchandise and material at the time our own Departments took such action, but that the President of that Company estimates this Company's equity in that property to be for the six months, about $175,000. As that statement, however, covered an unverified estimate, it was thought best to simply mention this, and not to include the final accounting of that property until the close of the first fiscal June 30th, 1900.

(Directors' Meeting held March 20, 1900.)

Mr. Cromwell proposed the name of Mr. Robert Bacon, of Messrs. J. P. Morgan & Co., and said that it was a matter of great satisfaction that Messrs. J. P. Morgan & Co. had able, efficient partners, ready to fill every emergency; that it was a source of great pleasure that Mr. Robert Bacon, a part-

ser of Mr. Coster, who had followed his work with almost equal zeal, had consented to take his seat among the members of the Board. On motion, of Mr. Cromwell, duly seconded, it was unanimously

RESOLVED that Mr. Robert Bacon be elected a Director of this Corporation to fill the vacancy occasioned by the demise of Mr. Coster.

President Converse reported * * * That the new selling and freight scheme had been sucessfully launched and had met with almost universal favor.

(Directors' Meeting, May 15, 1900.)

President Converse reported as follows:

That an agreement had been reached with the three-tenths minority stockholders of The Union Tube & Iron Company, and that corporation had gone into liquidation.

That the option given on the Republic Sheet Mill Machinery expired May 1st but that the Executive Officers would grant a reasonable extension if all terms were made satisfactory to them.

That recent utterances of Officials of one of the Steel Companies, promptly followed by a sweeping reduction of $20 a ton, and the pessimistic opinions which received great publicity, had caused buyers to hold off; that these circumstances in connection with the general business reaction had interfered with mill operations, which were not being conducted as extensively as in former months.

That Stocks of manufactured tubular merchandise on hand May 1st were $10,335,000, an additional accumulation during April of about $500,000,—and since January 1st of about $1,000,000,—that the plan of the Manufacturing and Mercantile Departments operating together, was to market a large portion of this merchandise on hand, even at the expense of immediately satisfactory mill operations.

That the policy of the Mercantile Department was to quietly lower prices, to increase consumption and general distribution in markets where competition had been most keenly felt.

Treasurer Luke reported respecting earnings, etc. as follows:

Earnings for the six months July 1st, 1899, to Dec. 31st, 1899, inclusive, as certified to by chartered accountants	$7,911,510.12
Earnings as shown by Treasurer's Statement of Estimated Profits for January, February, March and April of the current year	$5,629,894.37
Total earnings as shown for 10 months	$13,541,404.49
Deduct dividends on $40,000,000, of the Preferred Stock of the Company for the full year	2,800,000.00
Leaving as unexpended profits	$10,741,404.49
With the net earnings of May and June without deductions for dividend, or other purposes to be added.	
Appropriations for specific purposes, about	3,300,000.00
Cash in bank May 14th, about	5,500,000.00
Other cash, about	500,000.00
	$6,000,000.00
Bonds about	1,500,000.00
Ore prepayments, about	1,000,000.00
Cash resources to this date	$8,500,000.00
Out	
Dividend Preferred	$700,000.00
Dividend Common	2,400,000.00
Appropriations	3,300,000.00
	$6,400,000.00

Treasurer Luke then offered a resolution declaring a dividend of six per centum out of the earnings of the fiscal year ending June 30th, 1900, on the Common Capital Stock, payable in four quarterly instalments. Mr. Cromwell, Mr. Ba-

con and Mr. Steel made amendments and after a general discussion, it was, on motion of Mr. Cromwell, duly seconded by Mr. Luke, unanimously

Resolved that there be and is hereby appropriated and set aside out of the surplus or net profits arising from the business of the Company for the year ending June 30th, 1900, the sum of $2,400,000, as a fund for the payment of four quarterly dividends of 1½ per cent (including the quarterly dividend payable August 15th, 1900,) on the Common Stock for the year ending June 30th 1900; and that said sum be segregated from the other assets of the Company, and be held intact by the Treasurer as a separate fund for the payment of said quarterly dividends to be entitled "Common Stock Dividend Fund"; and that such fund be in the meantime held in such depositaries at interest as the Treasurer may determine, or be invested in such securities from time to time as the Board may direct, it being understood, however, that the interest on said fund shall not accrue or operate to increase said dividend.

Upon further motion, it was duly and unanimously

Resolved, that out of the surplus or net profits arising from the business of this Company to June 30th, 1900, a quarterly dividend of 1½ per centum, upon the par value of the Common Capital Stock of the Company, issued and outstanding, be and is hereby declared payable on August 15th, 1900, at the New York Office of the Company, No. 26 Cortlandt Street, New York City, to holders of said Common Stock of record upon the closing of the Common Stock transfer books, and that the Treasurer be and hereby is authorized to pay such dividend.

Resolved Further, that for the purpose of the dividend authorized by the foregoing resolution, the transfer books of the Common Stock of this Company be closed on Monday, July 30, 1900, at 3 o'clock P. M. and remain closed until Wednesday August 22, 1900, at 10 o'clock A. M., and that notice of said dividend be given accordingly.

There being no further business on motion duly seconded, the meeting adjourned.

Attest
E. H. OSBORNE
Secretary

JOSHUA RHODES,
Chairman.

(Stockholders' Meeting, Aug. 20, 1900.)

* * * * *

To the Stockholders of the National Tube Co.

The Directors submit herewith their first annual report.

* * * * *

PREFERRED STOCK DIVIDENDS.

During the past year, and at regular quarterly periods, dividends at the rate of seven per centum ($2,800,000) were distributed to the Stockholders of this class from the current earnings.

COMMON STOCK DIVIDEND.

On May 15th, a quarterly dividend of one and one-half per centum was declared on the Stock of this class, payable August 15th; the sum of $2,400,000 (equal to six per centum of the Common Stock) being segregated from the earnings of the last year as a provision for distribution to Common Stockholders in quarterly payments during the present fiscal year, as dividends may be declared.

NET PROFITS FOR THE YEAR.

The net profits for the fiscal year, after deducting expenses, depreciation and reserve, were $13,878,364.69.

* * * * *

Henry Aird, Robert Bacon, E. C. Converse, Wm. Nelson Cromwell, John D. Culbertson, William J. Curtis, John Dos Passos, John Eaton, William S. Eaton, William P. Hamilton, F. J. Hearne, J. R. DeLamar, Wm. H. Latshaw, Arthur F. Luke,

A. S. Matheson, Daniel O'Day, Francis L. Potts, Joshua Rhodes, Wm. B. Rhodes, Wm. B. Schiller, Charles Steele, F. R. Tobey, J. N. Vance.

* * * * *

Thereupon the Chairman announced the above named persons to be duly elected as the Directors of the National Tube Company for the ensuing corporate year, and until their duly qualified successors are elected.

* * * * *

(Directors' Meeting, October 16, 1900.)

The President reported * * *

That the Board has authorized the Officers to continue their development of the Seamless Tube business at the Christy Park Plant of this Company; that the Officers have given very close study to the state of the art covered by the piercing and rolling processes which form the basis of the Manufacture of Seamless tubes; that at present the great bulk of Seamless Tubes are made by the Shelby Tube Company; that the other chief competitor of this Company is the Standard Seamless Tube Company; that the exploiting of Seamless tubes in competition with our lap-welded products at a parity of prices and the universal adoption of this style of tubes for modern purposes has convinced the Officers of the advisability of still greater activity on our part to place ourselves in a position to meet the growing demands of Seamless tubes for marine, locomotive and merchant purposes, as well as to enable us to use Seamless tube products as a defensive method in protection of our lapped welded products; that the development and completion of our present Christy Park Plant will probably involve an outlay of $250,000. and will consume two years' time to bring it to a profitable capacity; that the Executive Officers deem it advisable for this Company to keep in the forefront of progress and to command this branch of business at the earliest state of its development, and governed by these considerations the Executive Officers have tentatively negotiated for the acquisition of the Standard Seamless Tube Company with its patents and plant, and with the services of the two

gentlemen whose inventions and commercial ability are the present basis of its establishment, if such purchase can be made upon satisfactory terms and after investigation; that this subject requires immediate authorization by the Board if the Board deem it preferable to acquire the Standard Plant than simply to increase its Christy Park Plant during the period of two years; that the time saved in the acquisition of the Standard Plant, as well as the advantages of a modern and well equipped plant to be immediately employed are very great.

Upon motion, the subject of the prosecution of the Seamless Tube business at the Christy Park Plant or as an alternative, the acquisition of the Standard Seamless Tube Company, referred to in the report of the President, was taken up for consideration. After discussion it was duly and unanimously

Resolved that Messrs. F. J. Hearne, W. H. Latshaw and William Nelson Cromwell, together with the President ex Officio be and they are hereby constituted a committee of this Board to consider the Seamless Tube branch of this Company's business and with full power to investigate, negotiate and conclude the acquisition and purchase of the capital stock (or at least the majority thereof) of the Standard Seamless Tube Company at such a price and upon such terms and conditions as they may deem advisable if in the judgment of such Committee such acquisition be for the best interest of this Company; and the Executive Officers are authorized and directed to execute all contracts and make all payments and consummate all agreements which may be with the approval of said Committee, in furtherance of this resolution.

(Directors' Meeting, November 20, 1900.)

In reply to inquiries of Director Eaton, President Converse made a very full and exhaustive report, giving the history of this branch of the business (Seamless Tubes) and the experience of this and former companies down to the present; stating in conclusion, that it was expected very shortly to make a full line of Seamless goods from the smallest lead-

pencil size to the largest, with the best machinery in the world to-day; that it was expected to have a capacity on a total investment of about $1,000,000, equal to the Shelby Steel Tube Company's entire capitalization of $15,000,000.

(Directors' Meeting of December 18, 1900.)

The President made a written report * * *

That the Committee, consisting of Messrs. F. J. Hearne, Wm. Nelson Cromwell and W. H. Latshaw, together with the President ex officio, appointed under the Resolution adopted at the October Meeting of the Board to conduct the Seamless Tube Negotiations, had after prolonged and exasperating labor succeeded in securing from certain Stockholders of the Standard Seamless Tube Company a conditional agreement for the acquisition of at least 90 per centum of the Capital Stock of that Company, at an amount approximating only the cost investment, with interest, viz: $110.— per share—although an important interest was opposed to such sale; That the total capital stock was 5,000 shares.

That the Committee, by the conditional contract, provided that this Company should not be officially committed until it had personally, and with the aid of the Company's experts, examined the plant of the Standard Seamless Tube Company when in full operation, and also as to its patents; that the Committee should be satisfied that the statement of the Standard Seamless Tube Company as to the investments alleged to have been already made in its plant, lands, patents and other assets, was correct; that, accordingly, the Committee had in person, and through the Company's special experts, examined the plant while in active operation and considered the results very satisfactory.

These results have been covered by the reports of the four special experts, as well as by the Committee, and are now in the Company's files.

That the result of this investigation satisfied the Committee that it was to the best interest of the corporation to avail of the option and to acquire the stock covered thereby; that notice to that effect had accordingly been given. That at the same time an examination into the patent features of the

Company had been made under the direction of the General Counsel of the Company, with two patent experts, and that reports of this investigation were also on file. That the Executive Officers would therefore conclude the purchase referred to and consummate the acquisition of at least 90 per centum of the capital stock of the Standard Seamless Tube Company, at $110. per share, and at the same time take over such material (finished and unfinished) and merchandise as were on hand.

That the actual conclusion of the transaction would be left until the verification by the Treasurer, Mr. Luke, of the investment account of the Standard Seamless Tube Company, together with inventory of the personal property. That with this conclusion, the Committee felt satisfied in reporting this important acquisition, having also carefully considered the whole subject of the Seamless Tube industry and its bearing on the other branches of the Company's business. That it was the belief of the Committee that the acquisition of the Standard Seamless Tube Company, in connection with this Company's Christy Park Plant, would give a greater capacity than that of the entire Shelby Tube Company, with a capitalization of $15,000,000. That the acquisition of the Standard concern included the five year contracts for the services of Messrs. Steifel and Nicholson, the inventors and experts.

* * * *

The President made some general remarks concerning foreign trade.

President Converse stated that the Committee considered the acquisition of the Standard Seamless Tube Company a very important addition to the force and power of this Company, that with an expenditure of about $1,000,000, they had acquired a plant which would have a greater capacity than the Shelby Steel Tube Company capitalized at $15,000,000, and whose plant represented an actual expenditure of about $7,500,000. That the best men had been secured on five year contracts.

That the Standard plant would turn out small seamless tubes and the Christy Park large tubes. That it would enable the Company not only to protect its own lines, but to enter-

into new fields; that the Company expected to look up the question of axles, hollow axles and brake beams, and hollow forgings.

(Directors' Meeting of January 15, 1901.)

Mr. Converse said:

"You have doubtless read the manifold utterances through the various press channels which have appeared in most of the papers and press dispatches, respecting the alleged plans of the Carnegie Company to install and operate a tube works with a capacity of two hundred and eighty thousand tons per annum, more or less.

"As is well known, the tendency lately so conspicuous to establish a community of ownership or a unified control over great industries as the only available means of restraining destructive competition, led to the incorporation of various great companies. The same tendency, for the same reasons, led to the unity of control over great railroad systems because they could find no other way of maintaining rates and preventing a cut-throat warfare which bankrupted the weaker ones, destroyed the profits of others and caused all manner of discrimination and uncertainty among patrons.

"The history of the iron and steel business from 1892 to 1899 showed that the wasteful and destructive competition which existed during that protracted period could not go on indefinitely without ruin to important properties and damage to manifold interests depending upon stability of prices.

The only resource then was to consolidate and strengthen competing lines and to establish as far as possible a unified control under which there could be a systematic distribution of products and the maintenance of stable and remunerative rates for the benefit of all thus combined.

"During the eighteen months this corporation has run, there has never been a time when it could not have manufactured to advantage and profit material in competition with nearly all of the numerous industrial groups including the Carnegie Company; but the policy of the management so far has been that, except forced by self-protection, this Company would not displace a ton of its neighbor's product by

entering any other lines than strict tubular goods. It has rigidly confined itself to this principle up to this time.

"Through our contract with the National Transit Company, by means of which that Department of the Standard Oil Company has maintained its independence as a buyer of raw material, the Carnegie Company is now enjoying a trade in plates or strips at the rate of about one hundred and fifty thousand tons per annum, which is more than equal to any tonnage which the Carnegie Company has ever made for tubular purposes.

"From this it will be seen that the Carnegie Company interests have been protected through the care and friendliness of the Standard and National Companies, as thus described, and under the full belief, warranted by facts, statements and circumstances, that such an arrangement would fully satisfy the Carnegie Company in their implied demand for their full measure of steel tonnage for conversion into tubular products.

"In all of the arrangements between the National Steel, Republic, American Sheet Steel, Tin Plate and others of the industrial steel groups, it has been the unwritten law that each group should confine itself to the fabrication of its own specialties and should voluntarily refrain from using constant surplus of material by the production of the special product of its neighbors. If this unwritten law is to be ruthlessly disregarded by the Carnegie Company, it will of course have a broader significance than the mere competition with our own products.

"It is within the limits of possibility of course that the Carnegie Company may consummate plans to fabricate certain tonnage of tubular goods directly from their own materials, but it is also within the range of possibility that the published plans will not mature.

"It is the intention of your Officers to continue their efforts to strengthen our position at all important plants, increase our raw material supply; to reduce the fixed charges thereat and to continue to manage the affairs of this Company conservatively and economically."

President Converse further reported * * *

A majority (ninety per cent) of the capital stock of the

Standard Seamless Tube Company had been acquired, upon the price, terms and conditions agreed upon by the contract, thus putting into force the five year contracts with Messrs. Steifel and Nicholson, Inventors and Managers, and enabling the Company to enter the Seamless Tube business from a part of which it has been previously debarred, owing to the excessive cost of the small seamless products turned out by the Christy Park Plant; that this acquisition was a source of much gratification because it protected and enlarged the trade of the Company and would keep it in the foreground of all possible improvements.

(Directors' Meeting, March 19, 1901.)

President Converse made a written report upon the general condition of business, that * * *

That the Manufacturing department had recommended certain plans for increasing output and earnings, and that in this connection the Directors of the National Tube Works Company had met and authorized the expenditure of $500,000. for enlargements and improvements, of which a new water works pumping and distributing system and a centralized electric power station are important features; that the Directors of the Standard Seamless Tube Company had authorized the expenditure of $200,000. in the line of new machinery, to increase output and reduce cost of those special products; also, that the Manufacturing Department desired to complete the central power station which the Pennsylvania Department had well under way at the time of its acquisition; that acquiescence was desired to the plans of the Board of Directors of the National Tube Works Company to acquire two additional pieces of property contigous (sic) to their present property, or at some other convenient point, for the purpose of necessary enlargements, the total estimate of which roughly figured at about $150,000.;

That he deemed it for the Company's best interests to support a resolution which might be offered, that the Boards of Directors of the National Tube Works Company and the Standard Seamless Tube Company be notified that, as large stockholders in those corporations, we approved of the plans

submitted (a digest of which is reported above); that our own officials be authorized to complete the progressive plans for betterment at the Pennsylvania Department, all of which he figured would entail the expenditures of about One Million Dollars;

That all of the remaining shares of the Standard Seamless Tube Company had been bought, and that we now own every share of this corporation; that to secure the McKelvey interests it was necessary to issue a bond of indemnity, prepared under the advice of Counsel, and duly executed, such indemnity being against any contingent liability arising out of some old conspiracy proceedings instituted by the Shelby Steel Tube Company, which appear to have no life;

(Directors' Meeting, May 21, 1901.)

President Hearne reported that * * *

Preliminary negotiations for the consolidation of the Seamless Department with the Shelby Steel Tube Company were under way, but it was extremely doubtful if any tangible results would follow. Two experts on behalf of this Company had visited the Greenville and Toledo Works, the most modern plants of the Shelby Company, and this visit seemed to show that the facilities of this Company are equal, if not superior; also, that it is extremely doubtful if seamless tubes can be produced as cheaply as lapweld operating under the existing values of their respective raw materials.

* * * * * * * * * * *

Tonnage for April was 61,450 tons as against 24,490 tons for the same month last year. Reports from Sales Agencies indicated an active and continuing demand at full prices, should the present general conditions continue.

(Directors' Meeting, June 18, 1901.)

President Hearne reported that * * *

Tonnage for orders of tubular goods received during the month of May, 1901, was 72,418 tons, as against 27,083 tons for the corresponding month of last year, an increase of 45,335 tons. Production during month of May was, tubular goods 66,113; pig iron 24,584; steel blooms 31,054; rolling mill

products (almost entirely skelp) 43,236 tons. Reports for the products of this Company, and under existing conditions a maintenance of present prices, until the advent of the winter season.

For the first five months beginning January and ending May of the present calendar year.

Orders for tubular goods recd.....	302,414 T.
Tubular Goods produced.....	269,501 T.
Showing orders.....	32,913 "

in excess of our production. In the same time 187,790 tons of skelp were produced, leaving (disregarding percentage of loss in manufacture) 81,711 tons provided by purchase, of which a little more than one-half was furnished by the Standard Oil Company.

(Directors' Meeting, July 16, 1901.)

The president had no report to make, except that tonnage for June 1901 was 57,498 as against 27,310 for June 1900, showing a net increase of 111 per cent.; the daily average of orders received for the first year of this Company's business was 1358 tons, for the second year 2058, an increase of 50 per cent.; the prices were maintained throughout the period.

(Stockholders' Meeting, August 19, 1901.)

Second Annual Report
To
The Stockholders
of the
National Tube Company
for the fiscal year ending
June 30, 1901.

• • • •

The properties owned by the National Tube Company may be briefly described as follows:

Departments.	Plants.
Allison;	
Philadelphia, Pa.	Allison Boiler Tube Works.
American;	
Middletown, Pa.	American Tube & Galvanizing Wks.
Chester;	
Chester, Pa.	Chester Tube Works.
Cohoes;	
Cohoes, N. Y.	Cohoes Tube Works.
Continental;	
Pittsburg, Pa.	Continental Tube Works, Elba Rolling Mills.
Morris-Tasker;	
New Castle, Del.	Morris-Tasker & Co. Tube Wks.
National;	
McKeesport, Pa.	National Tube Works. National Rolling Mills. Boston Iron & Steel Works. Monongahela Furnaces. Monongahela Steel Works. McKeesport Connecting R. R.
Pittsburg, Pa.	Republic Iron Works.
Versailles, Pa.	National Galvanizing Works.
Norway, Mich.	Aragon Mine.
Oil City;	
Oil City, Pa.	Oil City Tube Works.
Pennsylvania;	
Pittsburg, Pa.	Pennsylvania Tube Works.
Pittsburg;	
Pittsburg, Pa.	Pittsburg Tube Works.
Riverside;	
Wheeling, W. Va.	Riverside Bar Mill. Riverside Natl. Factories. Somet-Solvay Coke Ovens. Riverside Furnace. Riverside Steel Works. Riverside Rolling Mills.

Benwood, W. Va.	Riverside Tube Works.
	Tube Steel Company.
	Benwood & Wheeling Con. Ry.
Riverside;	
Steubenville, Ohio.	Steubenville Furnace.
	Coal Properties
Wheeling, W. Va.	200 acres
Benwood, " "	328 "
Steubenville, Ohio.	77 "
Fayette County, Pa.	996 "
	Total...1601 "
	Plants:
Seamless;	
Ellwood City, Pa.	Standard Seamless Tube Co.
Christy Park;	
McKeesport, Pa.	U. S. Seamless Tube Works.
Syracuse;	
Syracuse, N. Y.	Syracuse Tube Works.
Warren;	
Warren, Ohio.	Ohio Tube Works.
Youngstown;	
Youngstown, Ohio.	American Tube Works.

The Company has no outstanding bonds and no mortgages or liens of any description upon any of its properties, except only as to deferred payments on the purchase of the Aragon Mine, an obligation of, and payable by, the National Tube Works Company.

Preferred and Common Stock Dividends.

During the past year, and at regular periods, dividends at the rate of seven per centum ($2,800,000.) and six per centum ($2,400,000.) were distributed to the Stockholders of the Preferred and Common classes, respectively.

Condition of Plants and Depreciation Acct.

During the past year a large amount was expended, for the maintenance and improvement of the properties, which

has been charged to the cost of Manufacturing although we believe that our buildings and machinery have been kept up to an effective standard, there has been reserved for depreciation the sum of $510,000.

Net Profits for the Year.

The net profits for the fiscal year after deducting for expense, depreciation and reserve were $9,244,742.81.

• • •

On January 2nd, 1901, the entire capital stock of the Standard Seamless Tube Co., of Ellwood City, Pa., was acquired by purchase and later amalgamated with the United States Seamless Tube Works of Christy Park, and these two plants have since been operated as the Seamless Department of the Company. Both of these plants are thoroughly well equipped and the best of their respective classes in existence.

On April 1st, 1901, the entire property known as the Aragon Mine, at Norway, Michigan, was purchased from the Commonwealth Iron Company and has since been operated by and for the benefit of this Company. This property is producing at the rate of 500,000 tons of high grade, Old Range, Bessemer Ore per annum, a large part of which is consumed in our Blast Furnaces.

During the period covered by this report competition has not been more active, and no more installations of new competitive machinery made than might have been expected under the impulse of the highly prosperous conditions prevailing in the iron and steel business during the past two or three years; yet it behooves (sic) us to give patient and careful thought to the improvement of some of our existing plants, and the erection of additional high class machinery to meet the growing demands and protect our trade against the encroachments of improved facilities now being erected by our competitors.

In conclusion, we cannot but congratulate ourselves upon the unusual continuance of a generous demand at lucrative prices for our products, which is due very largely to the wis-

dom of our stockholders in forming a large corporation where several small competitive interests formerly existed. We trust nothing will occur to disturb the conditions which now appear full of promise for our stockholders for the coming year.

For the Board of Directors
FRANK J. HEARNE
President

(Directors' Meeting, November 19, 1901.)

The First Vice President, Mr. Schiller, reported that the mills were being operated to full capacity and still behind in filling orders so that it was impossible to create at this time as large a stock of merchant pipe as was desirable.

The Second Vice President, Mr. Latshaw reported that conditions indicated that the Company would be kept busy until the 1st of April, but that the opening of several competing mills about January 1st would probably mean a reduction of prices.

(Directors' Meeting, January 21, 1902.)

Upon the calling of the roll, the following named Directors were found to be present, viz:

John D. Culbertson
Wm. B. Schiller
E. C. Converse
Wm. H. Latshaw
E. H. Gary
A. S. Matheson
F. J. Hearne
Charles Steele

being a majority of the Board and a quorum.

The First Vice President, Mr. Schiller, reported that the mills were all running to their full capacity, with the exception of the Oil City Department, where there was a partial shut down because of a shortage of gas which it was hoped would be only temporary.

The amount of stocks on hand had been increased to about 55,000 tons, about twice that reported at the December meeting, but that orders coming in represented nearly the full producing capacity of the Company and indicated that there would be very little increase in the present stocks on hand.

The Second Vice President, Mr. Latshaw, reported that the business outlook was very good; that the tonnage being booked was due to notification to the jobbers that in case prices were reduced during January the Company would settle with them on the lowest basis, in conformity with the sales policy just inaugurated to meet the advances of competitors and as a notification of the intention of this Company to dominate the trade situation.

(Directors' Meeting of February 18, 1902.)

The second Vice President, Mr. Latshaw, reported that sales for January 1902 were 42,744 tons, as against January 1901, 41,291 tons and January 1900, 34,921 tons.

Sales for the first eleven days of February 1902, were 19,301 tons as against Feb. 1901, 13,433 tons.; February 1900, 16,025 tons.

Mr. Latshaw reported that the demand had started in about four weeks earlier than usual, but that this could be attributed to the operation of the new selling plan, which was progressing satisfactorily, in that the trade seemed satisfied and that it had temporarily defeated competition.

(Directors' Meeting of March 18, 1902.)

Mr. Latshaw, the Second Vice President, reported that sales for January, February and the first 14 days of March this year were 145,000 tons, as against 119,000 tons for the same period of last year. Mr. Latshaw stated that the new selling plan was working so well that the necessity for cutting prices to meet competition had been very largely removed and that there would be a very slight differential, if any, for March.

(Directors' Meeting of April 15, 1902.)

The Second Vice President, Mr. Latshaw, reported that the tonnage of sales for the first fourteen days of April was 4,000. tons more than that for the first fourteen days of March. He stated that sales in 1900 were 119,045 Tons,—1901, 168,455 Tons,—1902, 201,954 Tons.

(Directors' Meeting of July 15, 1902.)

Mr. Latshaw, Second Vice President, reported that the Company was doing a larger business in the aggregate than ever before. That the sales were larger, but were confined principally to the larger sizes of pipe; tonnage on merchant pipe was falling off. He further stated that every month this year the demand has been larger than at any time during the past year. We are carrying a larger stock of goods and have a larger tonnage of orders booked than ever before in the history of the Company. The production for the year ending July 1st, 1902, was 25 per cent. larger than previous year.

Mr. Latshaw also stated that the Standard Oil Company were going to buy about 200 miles of 18" pipe for a gas line from West Virginia to Cleveland.

It was explained that prices on Merchant goods had been cut slightly to first class customers and by this method about 18,000 tons of this material had been sold.

(Stockholders' Meeting of August 18, 1902.)

Profits of the Manufacturing and Commercial Business after deducting all expenses,....$10,819,457.04

(Directors' Meeting, September 16, 1902.)

There were present Messrs: Schiller, Gary, Latshaw, Matheson, Converse, Culbertson, Worcester and Murray, being a majority of the Board and a quorum.

Vice President Latshaw made a general report of the business of the company, and submitted to the Board for

its advice the question of the policy to be pursued in regard to retaining the business of the merchant pipe, which was threatened by the competition of competitors.

On motion, duly seconded, it was

RESOLVED, that, in the opinion of the Board the general policy of the company should be to retain this business, and that the broadest discretion should be granted to the Sales Department, under the management of Vice President Latshaw, with regard to the steps to be taken to meet competition on this class of goods.

(Directors' Meeting, October 21, 1902.)

Upon the Roll Call, it appeared that the following Directors were present, viz: Messrs. Schiller, Gary, Converse, Culbertson, Matheson, Worcester, Latshaw and Murray, being a majority of the Board and a quorum.

Vice President Latshaw reported that the demand for Merchant Pipe had increased threefold in the last few days, owing to the new policy inaugurated by the Sales Department.

(Directors' Meeting, December 16, 1902.)

Mr. Latshaw reported as follows:

That tonnage of orders coming in is extremely satisfactory. We are hearing very little from outside competition and think we will hear still less after their stocks have been exhausted. The following figures show the increase in business during the calendar year ending December 12th, 1902.

Tonnage increase,	1901 over 1900;	134,365 T.
	1902 over 1901,	99,574 T.
	1902 over 1900,	233,939 T.

The monthly average for each of the three calendar years to December 12th is as follows:

1900.....	40,035 T.
1901.....	51,821 T.
1902.....	60,556 T.

an average increase of about 10,000 T. per month. This, too, in the face of the competition of the new mills that have been built since 1900. Mr. Latshaw stated that the large jobbing trade throughout the country seemed to be well satisfied with the methods of this Company.

Mr. Converse stated that when the Tube Company was organized, the tonnage of the United States was estimated at 750,000 T., and that this Company made almost that amount last year with 17 competitors; that he estimated, in round figures, the sales of competitors at 300,000 T.

* * *

The President reported that this Company owned all of the stock of the Standard Seamless Tube Company and that there was no particular reason for any longer keeping up a separate organization for that Company. That a meeting of the Directors of that Company had been held, in which the transfer of all the assets of that Company to this Company had been authorized, as of December 1st, 1902, upon the assumption by this Company of the liabilities of the Standard Seamless Tube Company.

On motion, duly seconded, the Executive Officers were authorized to accept a deed and bill of sale of all of the assets of the Standard Seamless Tube Company and to assume all of the liabilities of said Company and also authorized to vote the stock held by this Company in said Standard Seamless Tube Company to effect the dissolution of said Company.

The President also reported that this Company owned all of the stock of the Tube Steel Company and that there was no particular reason for any longer keeping up a separate organization for that Company. That meetings of the Directors and Stockholders of that Company had been held, in which the transfer of all the assets of that Company to this Com-

pany had been authorized, as of November 1st, 1902, upon the assumption by this Company of the liabilities of the Tube Steel Company.

On motion, duly seconded, the Executive Officers were authorized to accept a deed and bill of sale of all of the assets of the Tube Steel Company and to assume all of the liabilities of said Company and also authorized to vote the stock held by this Company in said Tube Steel Company to effect the dissolution of said Company.

(Directors' Meeting of January 20, 1903.)

The First Vice President, Mr. Latshaw made a report regarding general trade conditions, in which he gave a summary of a report he had written to Vice President Preston of the United States Steel Corporation. He stated that the same conditions regarding increased tonnage prevailed; that the sales agents, however, were complaining of the aggressive policy of the independent mills; that this apparent anomaly either indicated a demand far above the normal, or that the independent mills were not doing the business; that it was hoped that the next week or ten days would show whether the activity of the independent mills was only spasmodic or was going to be continued; that the monthly average of tonnage for the last three calendar years was,

1900	1901	1902
39,797 T.	50,463 T.	59,815 T.

that the tonnage for the first sixteen days of January was 7,947 T. in excess of last year, which was the largest year in this Company's business, or a little over 35 per cent. increase over the same period of last year.

In answer to a question of Mr. Gary, Mr. Latshaw stated that the independent companies were the Eastern Tube, Reading, Byers, Spang-Chalfant, Harrisburg, Wheeling, La Belle, Youngstown and Mott, that the Carnegie Tube Company which was quite aggressive had gone into the hands of a Receiver and that the Buffalo Company had also gone into the hands of a Receiver.

President Schiller stated that business is increasing right along, that while the independent mills made cuts in the prices they did not seem to be able to deliver the goods; that it seemed that jobbers and the trade generally were disposed to stay with this Company unless some strong special inducement was offered and that even then they recognized that it was to their interest to buy from the National Tube Company which could furnish them with a full line.

(Directors' Meeting of March 17, 1903.)

Mr. Worcester reported in regard to trade conditions: That 82,767 tons were due on orders at the present time this year, as against 44,000 tons the same time last year; stock on hand 42,000 tons, as against 71,000 tons last year; tonnage of orders received for first fourteen days of March 36,000 tons, as against 43,000 tons for the same period last year; that orders coming in were at least 25,000 tons beyond the capacity of the Company, and it was desirable that they should be reduced at the present time; therefore, prices on specialties had been increased, but that no change had been made in the Prices of regular lines of merchant goods.

Mr. Schiller stated that the equilibrium of the Company's business could be better preserved if orders could be headed off somewhat at the present time and that, to this end, it had been thought advantageous to advance prices ten per cent. on oil country goods. The Oil City Department would be closed down until about May first, because of an inadequate supply of natural gas, (sic) That it was impossible to obtain raw material to satisfy the Company's requirements, with no possibility of relief in the immediate future.

(Directors' Meeting, April 21, 1903.)

The following Directors were present:

E. H. Gary
John D. Culbertson
William B. Schiller
William J. Curtis

Edward Worcester
Richard Trimble
E. C. Converse
Thomas Murray

being a quorum of the Board.

Mr. Worcester reported that the trade conditions were entirely favorable; no competition to speak of; and that a slight falling off in orders afforded the manufacturing department some opportunity to catch up a little on back orders.

In answer to a question of Mr. Schiller, Mr. Worcester stated that the consolidation of outside tube manufacturers, of which there had been rumors some time ago had apparently fallen through.

(Directors' Meeting, May 19, 1903.)

Upon the calling of the roll, the following named Directors were found to be present, viz: Messrs.

E. H. Gary,
Wm. B. Schiller,
Edward Worcester,
John D. Culbertson,
William J. Curtis,
E. C. Converse,
Thomas Murray,
Richard Trimble,

being a majority of the Board and a quorum.

Mr. Worcester reported generally on commercial conditions, as follows: That the position of the Company appeared stronger than it had ever been. That up to date stocks on hand of all classes of goods were 36,000 tons this year as against 76,000 for the same period last year; unfilled orders on books 106,605 net tons this year as against 70,084 for the same period last year; orders for the first fifteen days of May this year were 82,000 tons as against 34,158 for the same period last year. That prices were about twenty per cent. less this year, but that the profits of the Company would be as great if the required steel could be obtained. That the cuts in prices of last November had been partially

restored on specialties but not on merchant goods. That competition was noticed in the straight lines of merchant goods but not in specialties. That the Company had orders in for its capacity on large sizes of goods from 10″ O. D. up, with the exception of possibly 35 or 40 miles which could be turned out in October and November at Youngstown and for which quantity there were already two prospective buyers in the market. That the mills were running only two or three weeks behind in orders for merchant goods and only five or six weeks in galvanized; the demand for galvanized being always especially active at this season. That he had never seen the mills in better shape and that the outlook was very good.

(Directors' Meeting, June 16, 1903.)

Upon the calling of the roll the following named directors were found to be present, viz:—Messrs.

William B. Schiller
E: H: Gary (sic)
John D. Culbertson
Edward Worcester
Richard Trimble
Thomas Murray
E: C: Converse (sic)

being a majority of the Board and a quorum.

Vice President Worcester reported in regard to trade conditions:

Business is being turned away in all lines of special goods, i. e., boiler tubes, oil country goods, line pipe, etc. In merchant pipe, 1/8″ to 4″ we are running from two to four weeks behind orders. While specifications for merchant pipe are somewhat interfered with by the strikes at New York, Philadelphia and Pittsburg, and by the floods at St. Louis, Kansas City and other points, still, tonnage is satisfactory, and when the strikes and floods are over, we shall be as crowded in that department, if reports I gather are true, as we are in the other departments.

Tonnage of orders on hand at the present time is 115,000 T. as against 68,000T. last year. Stock on hand is 30,000 T.

as against 80,000 T. last year. There are but 13,000 T. of merchant goods in stock now as against 47,000 T. last year. You can see, therefore, that our position was never so strong as it is now.

(Directors' Meeting, February 16, 1904.)

Present:—Messrs.
E. H. Gary
E. C. Converse
Wm. B. Schiller
Richard Trimble
Thomas Murray
John D: Culbertson (sic)

In the absence of First Vice-President Worcester, who was ill, the President reported on trade conditions, as follows: Prices were advanced, effective February 1st, and following our action, the independent manufacturers held a meeting two weeks subsequently and agreed to maintain our new price. We do not expect, however, that they will do so altogether. The result of this action is an increase in volume of business; the people who have been holding off waiting to see which way the market would turn, are now placing their orders. The orders booked thus far, consisting largely of merchant pipe, exceed tonnage for same period in 1903 and 1902. National Transit Company has also placed large orders, but the most of these are for future delivery. If present conditions continue for a few weeks longer, we will feel warranted in making another advance which will restore last year's prices; think we can do this by March 1st, or at the most, by the middle of March. The outside mills are taking some business in boiler tube, but this is not very serious as yet and we are taking steps to protect ourselves, if necessary, in the future. Apparently there is going to be a fair volume of business in boiler tubes, and it is thought this year will be almost as good as last. Our competitors who are now going into the market will most likely get filled up on lowprice pipe. In some cases where we have been unable to meet prices with Welded goods, we have taken the business through Shelby with Seamless.

The following Minutes of the Directors of the American Tin Plate Company (Record, page 427), are offered in evidence by the Petitioner under the foregoing Stipulation, dated June 26, 1912 (page 359), for all purposes for which said Minutes are competent and relevant:

Each and all of said minutes are objected to by Counsel for said Defendants on the ground of incompetency, irrelevancy and immateriality.

(Directors' Meeting, January 15, 1901.)

* * * * *

To the Comptroller of the State of New York.

As Treasurer of the American Tin Plate Company I make the following report of such Company, for the year ending October 31st 1900 pursuant to the provisions of Chapter 908, Laws of 1896.

* * * * *

XII.

Amount of Capital on which dividends were declared,
Preferred Stock, $18,325,000.00

* * * * *

MINUTES of meeting of Board of Directors of the AMERICAN TIN PLATE COMPANY, held in New York City, October 21st, 1901 at eleven o'clock, A. M.

There were present, Mess. W. T. Graham, W. M. Leeds, George Greer, C. A. Robinson, J. A. Mathews, F. S. Wheeler, Warner Arms and James McLean.

ON MOTION, duly seconded, the resignations of the following of the Board of Directors were accepted:

Mess. D. G. Reid, W. B. Leeds, W. H. Moore, J. H. Moore, W. E. Reis, R. R. Quay and J. A. Mathews.

ON MOTION, duly seconded, Mess. C. M. Schwab and E. H. Gary were elected to membership of the Board of Directors in class No. 1 with terms expiring in 1904, and Mr. Frank Dickerson was elected to membership of the Board of Directors in class No. 5 with term expiring in 1905.

The following Minutes of the Directors of the American Sheet Steel Company (Record, page 428 to page 433), are offered in evidence by the Petitioner under the foregoing Stipulation, dated June 26, 1912 (page 359), for all purposes for which said minutes are competent and relevant:

Each and all of said minutes are objected to by Counsel for said Defendants on the ground of incompetency, irrelevancy and immateriality.

Meeting of the Board of Directors of the American Sheet Steel Company, held pursuant to adjournment at No. 10 Wall Street, New York City, on March 30th, 1900, at 2:30 o'clock in the afternoon.

Present: Messrs. Morrow, Bartlett, Day, Treacy, McCook, C. C. Fay, Dwight, C. J. Fay and Curtiss, being all the directors.

An offer was reported to the Board to convey and transfer to this Company the following property of the Apollo Iron and Steel Company, a corporation of the State of Pennsylvania.

A certain tract of land situated in the Borough of Vandegrift, County of Armstrong, State of Pennsylvania, which tract is to contain fifty acres of land and upon which fifty acre tract, the mill or works of said Apollo Iron and Steel Company, at Vandegrift, Pa., are erected; and the said Tract to be laid off around said mill or works as now used in connection therewith by such lines as will secure proper and convenient access to and from said mill or said works and in a manner satisfactory to said Apollo Company, with the right to the American Sheet Steel Company, to use and maintain any existing switches connecting said works with the West Penn R. R. Co. if any are now located over other lands of said Apollo Company.

Also all the capital stock of the Apollo Gas Company, a corporation organized for the production and distribution of natural gas.

Also all the right of said Apollo Company in and under a certain contract entered into between said Company and the said Apollo Gas Company, dated the 13th day of October, A. D. 1899 but subject to two contracts made in tri partite; one between the said Apollo Company and the said Apollo Gas

Company and the Chilled Roll Foundry; and one between said Apollo Company, said Apollo Gas Company and The Vandegrift Fuel Gas Company, to supply gas to said Chilled Roll Foundry and said Vandegrift Fuel Gas Company at the rate of eight cents per thousand cubic feet of natural gas, which contracts are to be carried out and performed by the purchaser, and the rights of said Apollo Company under the said last mentioned contracts to be assigned also to the purchaser, excepting and reserving, however, so much of the electric machinery and equipment now in said mill or works as is the property of the Vandegraft Electric Light Company, and also such as the said Electric Light Company may be using:—All for the consideration of Six million dollars ($6,000,000) par value, of preferred stock and Six million dollars ($6,000,000) par value, of common stock of this Company; it being a part of said offer that this Company, in addition to the above-mentioned consideration shall undertake and shall be bound to pay, keep and perform all contracts made and entered into by the Apollo Company and existing at the time of the transfer of the properties embraced by said offer and remaining wholly or partly unperformed, for the purchase of supplies and materials from others, or for the erection and construction of improvements and additions by others to said mill or works, and also for the manufacture and delivery of manufactured product or other product by said Apollo Company to others, including the above-mentioned contracts with the Apollo Gas Company, the Chilled Roll Foundry and the Vandegrift Fuel Gas Company; that the said Apollo Company shall be liable for all material and supplies delivered under the contracts aforesaid which shall have been delivered at the said works before the day of the transfer of properties as aforesaid, and the purchaser, (this Company), shall pay, or cause to be paid, for all such materials, supplies, improvements, additions, etc., as may be delivered or made under the contracts aforesaid, on and after the day of such transfer; and the said Apollo Company shall be entitled to receive payment for all finished product or other product or materials which have been delivered on board cars at the said works or shipped before the day of said transfer under said contracts, and the purchaser (this Company) shall be entitled to receive payment for all

finished product or other product or materials delivered on board cars of said works for shipment from the same on and after the day of transfer; and the paid (*sic*) purchaser (this Company) shall take all raw materials and spare machinery not in actual use, on hand, at the said mill or works or elsewhere at the time of the said transfer, at the then market price of the same; and shall then pay or cause said price to be paid to said Apollo Company; and that the purchaser (this Company) shall take all finished materials on hand at the mill or works or elsewhere at the time of said transfer, and shall pay or cause to be paid at the said time, to said Apollo Company therefor, the market price of the same, less ten per cent.; and that the Apollo Company, the party of the first part shall pay all wages and salaries to employees and workmen employed by it in connection with the properties so to be transfered up to the day of the said transfer, and that the purchaser (this Company) shall pay, or cause to be paid all wages and salaries of said employees and workmen on and after the day of such transfer; all payments to be made by the purchaser (this Company) under these conditions, to be in addition to the stock consideration aforesaid, it being a further condition of said offer that George G. McMurtree shall be made the President and chief executive officer of the purchaser (this Company) and that the said Apollo Company shall be represented on the Board of Directors and upon the Executive Committee of the purchaser (this Company) by not less than two members, the same persons to act in both capacities and be nominated by the Board of Directors of the said Apollo Company; and it being a further provision of said offer that neither the said purchaser (this Company) nor any other person in whose name title may be taken on its behalf, or in whose name the business of said mill or works may be conducted, or any of them, shall, by means of any agreements or contracts with any manufacturers of rolls or foundrymen, or with any combination of such manufacturers or foundrymen, discriminate against the above-mentioned Chilled Roll Foundry, its successors or assigns, or prevent the said Chilled Roll Foundry getting its proper allotment of orders from the above-mentioned Companies, from time to time, proportion-

ately to its productive capacity. And if the above-mentioned companies, or either of them (this Company and any Company) or companies holding title or doing business in its behalf as aforesaid shall at any time enter into any contract with any manufacturers of rolls or foundrymen, or with any combination of the same, for the purchase of machinery, or rolls, then the said Chilled Roll Foundry, its successors or assigns shall, if it so desire, be taken in as a party to said contract, and it shall from time to time be entitled under such contract to orders in proportion to its capacity; provided, however, that while the said allotment to said Chilled Roll Foundry, its successors or assigns, under this condition, or under such agreement, shall be increased, from time to time in proportion to the increase of its producing capacity, yet in no event shall the increase of allotments exceed a due proportion of three times its present capacity, unless other manufacturers increase their capacity in excess of three times their present capacity. Payment for the properties aforesaid is to be made and the stock consideration issued and delivered on or before May 30th, 1900.

A statement was made to the Board in regard to the earnings of this property for the past year:

On motion, duly seconded, it was

RESOLVED, that in the judgment of this Board the value to this Company of the plants, properties and contracts embraced in said offer, is equal to the price to be paid therefor according to the terms of said proposal, and such as to justify and render desirable their purchase upon these terms.

(2) That the said offer of sale of the said Apollo Iron and Steel Company be and the same hereby is accepted.

(3) That the officers of this Company be and they severally are hereby authorized and directed on its behalf to enter into a contract for the purchase of the properties covered by said offer and for the price and on the terms substantially as therein set forth, with any such modifications as to said officers may seem proper.

(4) That the officers of the Company be, and they severally hereby are authorized and directed to do all things necessary, proper or convenient to carry out the said purchase, and all the terms, stipulations, arrangements and provisions thereof in all respects; to make, execute and deliver, pursuant to the terms of such purchase, and as required thereby, certificates for the stock of this Company called for thereby; to receive transfers of lands, plants, properties, rights, contracts and stocks as provided in said offer or in any agreements pursuant thereto, and to perform all duties and obligations devolving upon this Company, or upon them or any of them under the terms of such purchase or agreements, and to make, execute and deliver on behalf of this Company all agreements and contracts and make all payments called for pursuant to such purchase or to any agreements made in reference thereto.

RESOLVED, that whereas the issue and delivery have been duly authorized of the amounts of the full paid capital stock of this Company, preferred and common, hereinafter stated, in addition to the $16,000,000 par value, of preferred stock, and $16,000,000 par value of common stock heretofore authorized and the officers of this Company directed to issue certificates therefor, the Transfer Agent and Registrar of Transfers of this Company are hereby requested and directed to countersign, register and issue certificates for such capital stock of this Company, to wit; for 60,000 shares of the par value in the aggregate of $6,000,000, of preferred stock, in addition to the $16,000,000 par value thereof, heretofore issued, and for 60,000 shares of the par value in the aggregate of $6,000,000 of common stock, in addition to the $16,000,000 par value thereof, heretofore issued, as such certificates shall be presented to them signed by the President or a Vice-President, and by the Treasurer or an Assistant Treasurer of this Company, and that the Secretary of this Company, be and he hereby is directed to deliver to said Transfer Agent and to said Registrar of Transfers a copy of this resolution, certified under the seal of this Company.

On motion, duly seconded, the meeting adjourned, to meet again at 12:45 o'clock P. M. of March 30th, 1900.

J. J. TREACY,
Secretary.

(Directors' Meeting, March 30, 1900.)

On motion, duly seconded, the Board proceeded to the election of four directors of the first class, to serve until the fifth annual election after organization, * * *.

A ballot was taken, which resulted in the unanimous election of the following to be such Directors of the first class:

WM. H. MOORE,
WM. B. LEEDS,
D. G. REID,
W. T. GRAHAM.

The following Minutes of the Stockholders of the American Sheet Steel Company (Record, page 433 to page 434), are offered in evidence by the Petitioner under the foregoing Stipulation, dated June 26, 1912 (page 359), for all purposes for which said minutes are competent and relevant:

Each and all of said minutes are objected to by Counsel for said Defendants on the ground of incompetency, irrelevancy and immateriality.

Meeting of the incorporators and original stockholders of the American Sheet Steel Company, held pursuant to adjournment, at No. 10 Wall Street, New York City, March 30, 1900, at one o'clock, P. M.

Present: Messrs. Morrow, Bartlett, Day, Treacy, McCook, C. C. Fay, Dwight, C. J. Fay and Curtiss, being all such incorporators and stockholders.

The minutes of the meeting of the Board of Directors of said Company held on the same day (March 30th, 1900), were read, and on motion duly seconded, it was

RESOLVED, that the actions of the Board of Directors and of the officers of the Company, as shown by said minutes be, and the same hereby are in all respects approved and ratified.

In accordance with the duty imposed upon them by the Certificate of Incorporation of this Company, the incorporators thereupon proceeded to appoint the Executive Committee provided by the Certificate of Incorporation and to fix the number and compensation thereof.

On motion, duly seconded, it was unanimously

RESOLVED, that the Executive Committee of the Company consist of seven members.

On motion, duly seconded, it was unanimously

RESOLVED, that the following named gentlemen constitute the Executive Comittee of this Company provided by its Certificate of Incorporation and that each of them be paid, as compensation for his services as a member of such Committee the sum of $15,000 per annum.

WM. H. MOORE, W. B. LEEDS,
D. G. REID, W. T. GRAHAM,
D. W. MORROW, A. P. BARTLETT,
T. M. DAY, Jr.

In case of vacancy occurring for any cause other than expiration of term of membership, the person elected to fill such vacancy to receive the same compensation as his predecessor.

On motion, duly seconded, it was unanimously

RESOLVED that Mr. F. S. Wheeler be the Secretary of the Executive Committee.

On motion, duly seconded, it was

RESOLVED, that the salary of the Treasurer of the Company be $10,000 per annum.

On motion, duly seconded the meeting adjourned.

J. J. TREACY,
Secretary.

The following Minutes of the Stockholders and Directors of the Carnegie Company (of New Jersey) (Record, page 435 to page 462), are offered in evidence by the Petitioner under the foregoing Stipulation, dated June 26, 1912 (page 359), for all purposes for which said Minutes are competent and relevant:

Each and all of said minutes are objected to by Counsel for said Defendants on the ground of incompetency, irrelevancy and immateriality.

April 23rd, 1900.

At a meeting of the Board of Directors of THE CARNEGIE COMPANY, held at the offices of the Company, Carnegie Building, Pittsburgh, Pa., at 2:00 P. M. on Monday, April 23rd, 1900, there were present MM. C. M. Schwab (President), Henry Phipps, George Lauder, W. H. Singer, L. C. Phipps, Thomas Morrison, Thomas Lynch and A. M. Moreland (Secretary). (MM. James Gayley, D. M. Clemson and James B. Dill, in New York City).

The minutes of the first meeting of the Board of Directors, held March 27th, 1900, were read and, on motion, approved.

The Secretary reported that this meeting was called most particularly for the consideration of the question of the selling of the Keystone Bridge Works to the American Bridge Company by the Carnegie Steel Company.

Mr. L. C. PHIPPS: Nearly everyone present, I think, understands the proposition of selling the Keystone Bridge Works to the American Bridge Company, as the matter has been up for quite a long time. The Board of Directors of the Carnegie Steel Company has approved of the selling of the Keystone Bridge Works and it is desired that this Board consider the matter also. I think it would be well to incorporate in our Minutes the propositon made by the promoter, Mr. Ladd, under date of April 2nd, 1900, which was as follows, to wit:

"Replying to your favor of the 30th ult., would say that I think the assumption that the bridge matter is now practically a 'go' is warranted, provided, of course, that the various

elements materialize on the lines respectively represented to Messrs. J. P. Morgan & Co.

"It is proposed that the total authorized Capitalization of the new Company be $70,000,000.00, the Company to be incorporated under the laws of New Jersey and its Capitalization divided into 700,000 Shares of the par value of $100.00 each, of which $35,000,000.00 shall be 7% Cumulative Preferred Stock (with preference as to dividends and assets) and $35,000,000.00 shall be Common Stock, said Stock being taken at the rate of one Share of Preferred Stock and one-half Share of Common Stock as the equivalent of $100.00 in cash. Of the total authorized Capital only about $60,000,000.00 will be actually issued at the present time, *i. e.*, $30,000,000.00 each of Preferred and Common Stock.

"The $30,000,000.00 Preferred Stock issued shall represent the plant values as arrived at by audit and appraisal and $10,000,000.00 cash working Capital. Of the $30,000,000.00 Common Stock, one-half or $15,000,000.00 will go with the $30,000,000.00 of Preferred, and the other half or $15,000,000.00 will go to J. P. Morgan & Co. as commission and which they will use for the purpose of forming their syndicate, for themselves and to indemnify me for my efforts. The commission thus figures, as previously explained to you, an amount of Common Stock which shall equal 25% of the total Capitalization actually issued, but there is no commission, whatever, paid in Preferred Stock.

"As previously arranged with you and as represented by Mr. Morgan, the Bridge Company is to take over the Keystone Bridge Works, plant and real estate, paying therefor, in lieu of cash, $2,000,000.00 of its Preferred Stock and $1,000,000.00 of its Common Stock, the Carnegie Co. agreeing, in common with other manufacturers, to hold such Stock for a period of eighteen months and accepting during such period Certificates of Receipt or Deposit, from J. P. Morgan & Co., or the Standard Trust Co. And the Carnegie Co. is to be represented on the Board of Directors of the Bridge Company.

"Simultaneously with the purchase of the Keystone plant by the Bridge Company, the Carnegie Co. and the Bridge Company are to execute an agreement for the purchase and sale of materials equalling in amount at least 51% of the total

amount of such materials used by the Bridge Company, and the purchase of which materials the Bridge Company is to enjoy from the Carnegie Co. at terms or rates more advantageous than the terms or rates at which the Carnegie Co. would sell similar materials to any other customer.

"The Carnegie Co. also agree not to fabricate such materials during the life of such agreement and which is to be for a period of at least ten years. Such agreement is to further cover such points as may be deemed to accrue to the mutual advantage and satisfaction of the Carnegie Company and the Bridge Company.

"Simultaneously with the sale of the Keystone plant to the Bridge Company and the receipt by the Carnegie Co. therefor of the $2,000,000.00 Preferred and the $1,000,000.00 Common Stock above mentioned, a properly drawn agreement for the purchase and sale of $1,500,000.00 of such Preferred and $750,000.00 of such Common Stock is to be executed by and between the Carnegie Co. and Messrs. W. H. McCord, C. M. Jarvis, Frank Conger and I. G. Ladd. Such Stock to be taken and paid for within thirty days from the date the actual Shares of Stock are delivered to the Carnegie Co., i. e., within thirty days after the expiration of the time during which the Carnegie Co. hold J. P. Morgan & Co.'s Certificates of Deposit above refered to. The price to be paid for the said Stock by Messrs. McCord, Conger, Jarvis and Ladd, to be the sum of $1,500,000.00 cash, such parties depositing with the Carnegie Co. or other mutually agreed upon depositary, as collateral security for the performance of their agreement, Certificate of Deposit representing a total of $750,000.00 par value of the Common Stock and a total of $675,000.00 of the Preferred Stock of the Bridge Company, such certificates being properly signed in blank.

"I trust that the above recapitulation of the points as generally arranged with you will prove what you want at this time.

"As the Bridge matter must be consummated during this month and preferably as early in the month as possible and the Bankers will want the Carnegie Co.'s agreement and transfer of the Keystone's plant completed about the first thing that is done, I desire to ask you to kindly secure such

authorization as you may deem it necessary to secure, at the earliest possible date. In this connection may I suggest that you simply secure from your Board of Directors, who also undoubtedly represent a sufficient amount of stock necessary to confirm such action, when such confirmation is needed, full authorization to carry out and perfect the negotiations and agreements herein generally described.

"Trusting that you will kindly advise me how soon you can be ready to put these matters into definite shape, I remain, etc."

There is really nothing to add to the above proposition. I think that everyone understands it. Mr. Carnegie is favorable to selling the Bridge Works on the basis of the proposition as read and the Board of Directors of the Carnegie Steel Company have approved.

MR. LYNCH: I am not familiar with the details of this matter to an extent that I would exactly understand the effect of selling the Keystone Bridge Works. I rather favor the Company retaining this department. If the matter has been carefully gone over by the other members of this Board and the Steel Company Board has approved of the sale and transfer of the property then I would vote for it.

MR. SCHWAB: The proposition has been considered very carefully. Mr. Carnegie approves, also Mr. Henry Phipps. It is our opinion that we are getting a very good price for Keystone and the contract which we are to make giving us 51% of the Steel to be purchased by the consolidated Company will prove to be a very beneficial thing for us. If the Bridge Company does not take 75% of the Bridge work in the United States, we are then privileged to build a works of our own. If we continued in the Bridge business we would most certainly have to rebuild Keystone.

On motion (MM. Lynch and Morrison), it was

RESOLVED, That the Board of Directors of this Company approve of the action of the Board of Directors of the Carnegie Steel Company, in agreeing to sell to (sic) the Keystone Bridge Works to the American Bridge Company, the consideration being $2,000,000.00 of Preferred Stock and $1,000,-

000.00 of the Common Stock of said Bridge Company, as more fully set forth in the Minutes of the Meetings of the Board of Directors of the Carnegie Steel Company held April 9th and April 17th, 1900, and in agreements between the Carnegie Steel Company and the American Bridge Company; the vote being unanimous.

* * * * * * *

June 6th, 1900.

* * * * * * *

MR. GAYLEY: Last week at an informal Meeting we discussed the matter of making a contract between the Federal Steel Company, The Carnegie Company and the Oliver and Snyder Steel Company respecting the contracting for a freight rate on the Duluth & Iron Range Railroad, on Ore from the Vermillion Range. There are some very good reasons advanced against the making of a contract between the Oliver Iron Mining Company and the Railroad Company, and the suggestion has been made in order to avoid appearance of rebating freight that we make contract between the two New Jersey companies, Carnegie and Federal, the consideration being for the business that The Carnegie Company controls and has to give out and that the Railroad Company is desirous of securing. We intend to define the Vermillion Range in contract, so that the same will not cover territory in general or cover acquisitions we may make from time to time in other territories and localities. Objections were had to first draft of contract at the meeting last week, first, because it contained a clause guaranteeing to the Railroad Company 600,000 tons of Ore per year, and, secondly, on account of the term of the contract being 20 years. Since the meeting of last week we have considered the matter very carefully and we are now convinced that a long time contract is the best for us and we would propose that instead of ten years, as proposed last week, that we would negotiate for forty years term, there being no guarantee of tonnage; we give railroad production at whatever it happens to be. The contract now provides that we are to get as low a rate as any other Company, and if the rates are increased to others the allowance

to us is increased, so that under the contract, if rates were generally increased, we would be charged 60 cents at all times, unless a competitive road made a lower rate, when we would be put on the same basis. We think that in making a long term contract that should we have any adjustment to make with the company that they would be more likely to concede what we might ask, on account of the term of contract, rather than if it was for a short time and they were looking towards its possible ending or of our building a competitive road. We have, in accordance with our estimate, at least Ore enough in the Vermillion District for a twenty years' supply. The present general freight rate is $1.00. We have had an arrangement with railroad for some time to carry Ore at rate of 60 cents, paying currently, however, one dollar per ton, but we have not been able to collect our money for the reason that there was no fixed method of payment and railroad feared rebating. Judge Gary thinks that if we make a contract as now proposed they can find a way to pay us the amount due us, which approximates $200,000.00, and make the further payments or rebates required. Mr. Oliver and myself are to take this matter up in New York next week and we would like to have authority to negotiate on the lines recited.

On motion, (MM. Clemson and Lynch), it was

RESOLVED, THAT Mr. Henry W. Oliver and Mr. James Gayley are hereby authorized and empowered to negotiate with the Federal Steel Company to the end of making a contract covering Ore shipped from the Vermillion Iron Ore Ranges, which the contract defines and which is to be carried over the Duluth and Iron Range Railroad at a net freight rate of sixty cents for the term of forty years this authority being given on the express understanding that when the contract is written completely that it is to come before the Board of Directors of this Company for approval before it is executed by the Officers of this Company, the authority for its execution by the Officers of this Company to be given by the Board of Directors; the vote being unanimous.

MR. SCHWAB: I think it very important that this contract be approved by the Board before it is executed and delivered.

On motion, adjourned.

A. M. MORELAND,
Secretary.

Copy to A. C.
Skibo and H. P. London, 8th June, 1900.

July 9th, 1900.

At a Special Meeting of the Board of Directors of The Carnegie Company,

held at the offices of the Company, Carnegie Building, Pittsburg, Pa., on Tuesday, July 9th, 1900, at 2:00 P. M., there were present MM. Schwab (President), Singer, Morrison, Gayley and Clemson; also Mr. James J. Campbell. (Mr. Lauder absent, account illness; MM. L. C. Phipps and Henry Phipps abroad; Mr. Moreland and Mr. Dill in New York; Mr. Lynch in Pittsburg, but absent from meeting.)

On motion, Mr. Campbell acted as Secretary of the Meeting.

The President stated that this meeting had been called for the purpose of considering and acting upon an Ore traffic agreement between The Carnegie Company and the Oliver and Snyder Steel Company, parties of the first part, and the Federal Steel Company, party of the second part.

The agreement referred to was presented and read by the Secretary as follows:

THIS AGREEMENT, made this ninth day of July, A. D. nineteen hundred, between The Carnegie Company, a corporation of the State of New Jersey, and the owner of five-sixths of the Capital Stock of the Oliver Iron Mining Company, and the Oliver & Snyder Steel Company, a corporation of the State of Pennsylvania, and the owner of one-sixth of the Capital Stock of said Oliver Iron Mining Company, parties of the first part, and the Federal Steel Company, a corporation of the State of New Jersey, party of the second part,

WITNESSETH:

WHEREAS, the said Oliver Iron Mining Company, and the parties of the first part are the owners of or interested in certain mining property located on the Vermillion Range and in

St. Louis County, Minnesota, East of the main line of the Duluth & Iron Range Railroad, between Two Harbors and Tower, to wit:

The Pioneer Mine, the Zenith Mine, the Savoy Mine and the Sibley Mine and other mining properties not herein named, and may become the owners of or interested in other mining properties on the Vermillion Range and in St. Louis County, Minnesota, East of the main line of the Duluth & Iron Range Railroad between Two Harbors and Tower, and are desirous of having all iron ore that may be mined from all such properties or any of them, transported therefrom to Lake Superior, and are also desirous that the party of the second part shall secure and guarantee to the parties of the first part prompt and efficient carriage and delivery of such ore.

Now, therefore, in consideration of the premises, and of other valuable considerations, it is hereby agreed by and between the parties hereto, as follows:

FIRST: The said parties of the first part hereby promise and agree to deliver to such railroad or railroads connecting with the mining properties above referred to, as may be designated by the party of the second part, for transportation and delivery from any and all such mining properties to a suitable shipping port on Lake Superior, all the iron ore mined and shipped by the parties of the first part, or any of them, or by any company or companies which they or any of them may control or have a majority interest in from all or any of such mining properties now owned or that may thereafter be acquired by them or any of them or in their interest, located on the Vermillion Range, and in St. Louis County, Minnesota, East of the Main line of the Duluth & Iron Range Railroad, and between Two Harbors and Tower for a period of forty (40) years from January first A. D. nineteen hundred, and to pay such railroad the tariff rate therefor and to grant the second party or the railroad designated by it the necessary right of way to make and maintain such connection over said property of the first parties.

SECOND: Said party of the second part further agrees that it will and it does hereby guarantee to the parties of the first part that the railroad company designated by the said first party will at all times promptly and efficiently transport and

deliver all the said iron ore so delivered to it for transportation as aforesaid, unless hindered or delayed by strikes, destruction of its property by fire or the elements, or other unavoidable accidents; or, failing in this respect, this agreement may be terminated.

THIRD: Said party of the second part, in consideration of the premises and of the agreement by the parties of the first part to permit the party of the second part to route from time to time the said iron ore as above specified, does hereby promise and agree to pay to the parties of the first part for each and every gross ton of iron ore transported over the said railroad designated as aforesaid while the tariff rate on such ore for such transportation remains at one dollar ($1.00) per gross ton, the following sums:

When the quantity shipped in any three year period commencing January first, A. D. nineteen hundred, shall be fifteen hundred thousand tons or more, forty (40c.) per gross ton;

When the quantity shipped in any three year period commencing January first, A. D. nineteen hundred, shall be less than fifteen hundred thousand (1,500,000) tons, thirty-five (35c.) cents per gross ton;

Provided that if during any period of three years there shall be shipped any quantity of ore in excess of fiften hundred thousand (1,500,000) tons, for the purpose of determining the said payment of thirty-five (35c.) cents or forty cents (40c.) per gross ton, such excess shall be carried over and added to the shipments of any subsequent year period.

In case the tariff rate is reduced at any time during the period this contract remains in force, then the amount per gross ton to be paid by the party of the second part to the parties of the first part under this clause shall be reduced the same amount per gross ton that the tariff rate is so reduced: and if the tariff rate is increased at any time or from time to time during the period this contract remains in force, then the amount per gross ton to be paid by the party of the second part to the parties of the first part under this clause shall be increased the same amount per gross ton that the tariff rate is so increased.

From the sums to be paid by the party of the second part to the parties of the first part under this agreement, there

shall be deducted and retained by the said party of the second part one and one-half (1½%) per cent.

This last mentioned percentage may be changed from time to time by mutual agreement.

FOURTH: On the twentieth (20th) days of January, April, July and October in each year payments of the amount per ton to be made by the party of the second part, hereinbefore stated, shall be made on all the ore shipped during the preceding quarter, five-sixths (5/6) to the said The Carnegie Company and one-sixth (1/6) to the said Oliver and Snyder Steel Company.

Payments shall be made on the assumption that shipments for any three year period will aggregate fifteen hundred thousand (1,500,000) tons. If at the end of any three year period the shipments (after having had added to and considered as a part of that period any excess shipments of a former period as hereinbefore provided) shall not amount to fifteen hundred thousand (1,500,000) tons, the over payment of five cents (5c.) per ton shall be refunded by the parties of the first part to the party of the second part.

FIFTH: It is hereby understood and agreed that the term "Vermillion Range" shall not include any land South of the North Line of township fifty-nine (59) North, which shall be west of the said main line of the railroad.

IN WITNESS WHEREOF, the parties hereto have caused these presents to be signed by their respective Presidents and their corporate seals to be hereto affixed, the day and year above written.

Mr. SCHWAB: What did you estimate the shipments would be from the Vermillion Range?

Mr. GAYLEY: Minimum of 800,000 tons for the season, but shipments this season will be 700,000 tons; we have only one shaft on the Pioneer and cannot hoist more than 450,000 tons and the other mines are just being opened up.

Mr. SCHWAB: Can a tariff rate be named to any one that would operate to our disadvantage?

Mr. GAYLEY: Not unless the open tariff rate goes below 60 cents. When the tariff rate goes below one dollar the amount of our rebate is reduced the same amount and when the tariff rate is increased our rebate is increased in like amount.

Mr. SCHWAB: This agreement really fixes the rate at 60 cents per ton, no matter what the tariff rate may be, on a basis of one dollar tariff rate would mean a rebate of about $200,000.00 on last year's business; I think the agreement is all right.

Mr. GAYLEY: So do I. The $200,000.00 comes, five-sixths to The Carnegie Company and one-sixth to the Oliver and Snyder Steel Company; that was the only basis on which we could get the matter fixed, the Federal Steel Company and The Carnegie Company both being New Jersey corporations. The Carnegie Steel Company pays one dollar per ton ore freight currently, and the Carnegie Company gets the rebate quarterly.

The following resolution was presented and read:

RESOLVED, that Charles M. Schwab, as President, and Andrew M. Moreland, as Secretary of this Company, are hereby authorized directed and empowered, to execute on behalf of this Company a contract, dated July 9th, 1900, between The Carnegie Company, and the Oliver and Snyder Steel Company, parties of the first part, and the Federal Steel Company, party of the second part, providing for the transportation of iron ore mined by the Oliver Iron Mining Company on the Vermillion Range, from the mines to ports on Lake Superior.

On motion of Mr. Clemson, seconded by Mr. Gayley, the above resolution was unanimously adopted.

On motion, adjourned.

JAS. J. CAMPBELL,
Secretary.

November 6th, 1900.

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LOAN TO CORRIGAN, MCKINNEY & COMPANY.

Mr. GAYLEY: I have a statement to make which I have put in writing, and would ask that action be taken at this meeting:

"Three years ago Messrs. Corrigan, McKinney & Company, of Cleveland, borrowed $250,000.00 from the Cleveland-Cliffs Iron Co., giving their notes therefor, and put up as collateral the leases, and the stock of the Companies owning the leases, of the Queen group of mines at Negaunee, Michigan. Two years ago we purchased, through James Corrigan of Corrigan, McKinney & Company, their interest in these mines for $100,000, and assumed his indebtedness to the Cleveland-Cliffs Iron Company. At that time we said to Mr. Corrigan that he should have come to us for such a loan as he could have avoided a traffic contract on a million tons of ore which was exacted by the Cleveland-Cliffs Company for their railroad.

A few weeks ago Mr. Corrigan called on me and stated that he wanted to obtain a loan of $200,000.00, in order to improve certain ore properties controlled by him and clear up some small indebtedness. As security for this loan he will give to the Oliver Iron Mining Company the lease and equipment of the Hope Mine, making complete assignment to them, and will put up as collateral the leases and stock of companies owning the leases, of the following mines:—

Crystal Falls,
Great Western,
Lincoln,
Lamont,
Paint River,
Armenia.

These mines are all located in the Crystal Falls district of the Menominee Range. They are Non-Bessemer Mines

producing ore running from 58. to 60. per cent., Iron, and from .20% to .70% Phosphorus. The cost of mining would be as cheap as at any of our best mines, for, while the deposits are not large, yet there is very little water to pump and little timbering required. While some of the ore is too high in Phosphorus for use in making Basic Iron, it commands a premium in the market by reason of its Phosphorus for foundry irons. The Hope Mine is now being opened and likewise the Armenia. The former gives promise of a fair ore body, and carries about .25% Phosphorus. The Armenia is showing well and produced an ore slightly over the Bessemer limit. All of these ores partake of the nature of the Monominee hematites, being coarse-grained, and work excellently in the furnace.

Mr. Corrigan proposes to repay this loan as follows:—$100,000.00 in one year and $100,000.00 at end of second year.

Outside of the Cleveland-Cliffs group of mines at Ishpeming there is no other large old Range group not owned by us, excepting these at Crystal Falls. This amount of money can be easily borrowed on the security offered, and it is advisable that we should loan it, as we may, later on, secure the property at a reasonable figure, and avoid paying an extra premium; and further, it puts us in a position to work in harmony with Corrigan, McKinney & Company, who have good properties on other ranges and who can be very useful to us in many ways. Our Mining Officers have just finished a careful examination of the mines, and report them in good condition; they will produce 400,000 tons this year, and the royalty is less than fifteen cents per ton on the group. On our trip to the Northwest last week, Mr. Clemson and I looked carefully into the matter, and we desire to recommend it."

Mr. Phipps: It seems to me that, as Corrigan, McKinney & Company, have been such factors in the ore mining business, and we have obtained a great deal through them, that we should, as much as possible, keep in touch with them and assist them where we are safe. We can, very readily, afford to carry the loan for them, and there does not seem

to be any risk in doing it. I think it would be to our advantage to loan the money.

MR. GAYLEY: The principal advantage is, I think, that the group of mines will eventually come to us. These people are always getting into financial difficulties, and if it had not been that we had stepped into the Queen group of mines they would have gone to the Cleveland-Cliffs Company. I think the outlook is, and while it may not prove so, that we will eventually get that group of mines. It puts us in touch with them so that we will get the first call on their mines. It has been their history that their mines are available for purchase. They have some very excellent mines on the Mesaba Range, and are practically in control of the Non-Bessemer ore market to-day.

MR. LYNCH: I am perfectly willing to act on the recommendation of Messrs. Clemson and Gayley, but this occurs to me; the collateral that they have offered is ample; why do they, as business men, come to us for this money and put themselves in our power?

MR. GAYLEY: For the simple reason, when they obtained that other loan, and we had to pay a bonus on it, we suggested to them that in the future, if they needed to borrow money, with their mines as collateral, they come to us.

Other members of the Board favored the loan, and, on motion of Mr. Clemson, seconded by Mr. Lynch, the loan, as outlined by Mr. Gayley, was authorized, the vote being unanimous.

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MR. SCHWAB: Before adjourning I would like to have read a very interesting letter from Mr. Gayley on his visit to the ore regions.

"Mr. Clemson and I have just returned from an inspection of our mining properties, and can report that all of them are in first class condition. The principal object of our visit was to look into the possibilities of our various explorations, and to confine this work to the most promising fields. The other mining companies have largely given up exploration work on account of the lull in business, and, be-

sides, the scarcity and high price of diamonds make diamond drill work more expensive. As a result of this investigation, we have discontinued work on nearly all of the properties requiring deep drilling, except a few cases where the outlook is very encouraging—such location being on the north side of Vermillion Lake—about twelve miles north of Tower, Minn. So far we have arranged to release five of the eight drills now in operation in Minnesota. These drills will be taken to the Mesaba Range—east of the Duluth & Iron Range Railroad, which is called the Eastern Mesaba Range—and is territory excluded in our agreement with Rockefeller. On this range we can put down six holes for the same cost that one requires on the Vermillion Range, and work will be continued at that point. This is advisable, since on the execution of our contract with Rockefeller, we immediately set to work to secure this territory, and at this time control, under option, about 75 per cent. of it, and are working on the balance.

While in Duluth we arranged to secure 300 acres on which ore has been found, and which promises a good sizes (sic) deposit. There is a large tract lying on both sides of the railroad, which by our contracts, we could not purchase, so we wired for Mr. Corrigan of Cleveland to meet us in Ironwood, Mich., last Monday, and arranged with him that he should secure the whole tract and turn over to us that portion lying to the East. This territory promises the best return to us for exploration work of any section in the Lake Superior region. The ores are coarser than the ordinary Mesaba. They are but 47 miles from the Lake and Mr. Bacon, President of Minnesota Iron Company, recently stated it was the point most dangerous to the interest of the railroads carrying ore. At the same time Mr. Porter of the Federal Steel Company has opposed Mr. Bacon securing any property there. It is fortunate for us that the ore interests of the Federal Steel Company are in their hands.

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November 12, 1900.

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MR. SCHWAB: Mr. Carnegie and I talked over the location for Tube Works yesterday and we are fully convinced that Conneaut is the place for establishing the same. The site can be obtained and the road to connect with the Bessemer road can be built and the entire cost for the site and road will not exceed $1,000,000.00. The site contemplated covers about 2,500 acres.

MR. L. C. PHIPPS: We figure that about 1,000 acres could be devoted to selling for homes and which it is believed would bring on an average of about $2,500.00 per acre.

MR. CARNEGIE: I place the amount which we would receive for ground sold for other purposes at about $1,500,000.00, but of course this money would come to us gradually and would not be available at the time of building our plant.

MR. HENRY PHIPPS: To what extent is Conneaut more favorable than a plant if placed adjoining some of our present works.

MR. SCHWAB: We figure that there would be $1.07 per net ton in favor of Conneaut on all materials coming in to the works for manufacture.

MR. LYNCH: How would Conneaut be for a distributing point, compared with Pittsburg?

MR. SCHWAB: It would not be worse than Pittsburg and would possibly be better. It would be nearer to a water route both East and West, which would be in its favor.

Mr. Carnegie was at this point called away from the meeting and after some further discussion upon the subject it was determined best not to take any formal action to-day.

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DECEMBER 24, 1900.

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BESSEMER AND LAKE ERIE RAILROAD.

Mr. Blackburn submitted the following communication from Judge J. H. Reed, relative to the incorporation of a corporation to be known as the Bessemer & Lake Erie Railroad Company:

"Referring to the proposed lease of the Bessemer Railroad. The Carnegie Company, being unable to operate the railroad directly, it will be necessary to organize a railroad company under the laws of Pennsylvania for that purpose, the entire capital stock of which will be owned by The Carnegie Company, and the latter as the owner of all of the stock can, under the powers conferred by its charter, guarantee the payment of the rental. A railroad corporation in Pennsylvania must be incorporated to build between certain defined points. I think the most practicable course would be to organize a company to build a railroad between Kremis Station (at the top of the hill near Shenango) and Osgood, north of Greenville, or what we call the Greenville cut-off, designed to relieve the Bessemer from the heavy grades on the Shenango hill. The distance is about ten miles. This Company should have an authorized capital of five hundred thousand dollars, $100,000. of which could be subscribed and paid in by The Carnegie Company, the remaining $400,000. remaining unissued. This $100,000. of issued stock should at once be deposited with the Trustee under The Carnegie Company mortgage, for the mortgage trustee has no power to vote the Bessemer stock held by it, in favor of a lease, except to a corporation whose stock it also holds under the mortgage trusts. It will be necessary for the Carnegie Board to pass a resolution authorizing the Trustee to vote in favor of such lease, and by the terms of the mortgage the authority in writing of the holders of a majority of The Carnegie Company stock must be filed with the Trustee. Of course, the Trustee must vote upon the lease, otherwise the necessary two-thirds vote cannot be secured.

The $100,000. paid in upon the stock of the new company should be utilized by proceeding with the construction of its

road during the coming season, which will be in the line of the improvements outlined and approved by your Board in preparation for the traffic of 1902. This new company, while small, would have the legal capacity to take a lease of and operate the Bessemer Railroad, the guarantee of The Carnegie Company being the real dependence of the stockholders for the permanency of the rental. The $400,000 remaining unissued in the treasury of the new company could only be issued by your consent, and must, when issued, be deposited with the Trustee of your mortgage. So long as it is unissued it does not add to the expense or taxes, gives a little more respectability to the size of the leasing company, and, if it is thought wise to issue additional stock at any time, this stock can be issued without going through the formality of a stockholders' meeting. The Bessemer stockholders have been called to meet on January 16th, and it is necessary that action by your Board be taken before that time to enable the Trustee to vote at the meeting. It has been suggested that the new company be named—Bessemer & Lake Erie Railroad Company."

In line with this communication, the following resolution was offered by Mr. L. C. Phipps, and seconded by Mr. Lynch:

RESOLVED:

FIRST: That this Company authorize the incorporation of a corporation under the general railroad laws of Pennsylvania to be known as the Bessemer and Lake Erie Railroad Company and empowered to construct a railroad in Mercer County, Pennsylvania, which Company shall have an authorized capital of five hundred thousand dollars. That of this capital stock this company shall take and pay for one hundred thousand dollars (par value) or two thousand shares, which shall be the total amount presently issued out of the authorized capital. The remainder of said authorized capital shall only be issued until authorized by this Company.

SECOND: That said two thousand shares of stock when issued shall be deposited with the United States Trust Company, Trustee, in accordance with Section 9, of Article 1, of the Collateral Deed of Trust of this Company and as required

by said Deed of Trust, that all of said shares of stock (less a sufficient number to qualify directors) shall be assigned to and stand in the name of said United States Trust Company "as Trustee under a Deed of Trust made by The Carnegie Company dated April 2d, 1900.":

THIRD: That the Secretary of this Company, in conjunction with the General Counsel, is authorized and directed to take the necessary steps to carry into effect this resolution."

MR. SCHWAB: This is in line with what had been previously agreed upon, but a formal resolution is needed to proceed.

The motion was carried, the vote being unanimous.

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JANUARY 9TH, 1901.

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MR. BLACKBURN: I desire to present a letter from Judge Reed, reporting that a charter has been obtained for the Bessemer and Lake Erie Railroad Company. The lease referred to will be printed in pamphlet form, and will be attached to and made a part of the minutes of this meeting.

"I beg to report that in pursuance of the resolution of your Board, a charter has been obtained for the Bessemer and Lake Erie Railroad Company, under the general railroad laws of Pennsylvania, authorized to build a line from a connection with The Pittsburg, Bessemer & Lake Erie Railroad near Kremis to a connection with the Jamestown & Franklin Railroad, all in the county of Mercer. The form of lease has been prepared to be submitted to the stockholders of The Pittsburg, Bessemer & Lake Erie Railroad Company at their meeting called for January 16th, 1901. It will be necessary, before that meeting, that your Company authorize the United States Trust Company, as the holder of your stock in The Pittsburg, Bessemer & Lake Erie Railroad Co., to vote the same, or to authorize its being voted by a proxy, in approval of this lease by the stockholders of the Railroad Company. It will also be necessary for your Board to authorize the execution of the guaranty on behalf

of The Carnegie Company contained in the enclosed agreement of lease, and this should be done before the meeting of stockholders on the 16th instant, in order that we may be able to say to the stockholders of The Pittsburg, Bessemer & Lake Erie Company that your Company have authorized and are ready to execute the guaranty."

MR. SCHWAB: Judge Reed thought, instead of leasing The Pittsburg, Bessemer & Lake Erie Railroad to the Union Railroad, as originally contemplated, it would be better to build the short cut-off, starting at once, leasing the road to it and have The Carnegie Company guarantee the dividends on the stock. The object is this: The Pittsburg, Bessemer & Lake Erie Railroad will undoubtedly earn more money than is necessary to pay the interest on its securities, and that excess money would probably be applicable for payment to the stockholders. We own half the stock, but it is possible some minority stockholder may raise the question as to the application of this money for other purposes than dividends. We cannot put the ore rate on The Pittsburg, Bessemer & Lake Erie Railroad below the rate which now exists, unless we own all the stock or lease the road to another company, guaranteeing results on the stock. If we wanted, in the spring, to put the rate on ore down to twenty cents per ton, we could not do it with The Pittsburg, Bessemer & Lake Erie Railroad stock in the shape it now is, because a contract is in existence compelling us to maintain the 53c. rate.

The following resolution was then offered by Mr. Singer, seconded by Mr. L. C. Phipps, proxy being attached:—

RESOLVED: that the United States Trust Company of New York, Trustee under the Collateral Deed of Trust of this Company, is hereby requested and authorized to execute a Power of Attorney or Proxy, to D. M. Clemson, Thomas Morrison and W. W. Blackburn, and authorizing the said D. M. Clemson, Thomas Morrison and W. W. Blackburn, or either of them, to vote the Shares of Stock of this Company held by the said United States Trust Company of New York at the Meeting of the Stockholders of

The Pittsburg, Bessemer & Lake Erie Railroad Company to be held January 16th, 1901, or at any adjournment of said Meeting, in approval of a lease of the railroad and property of said The Pittsburg, Bessemer & Lake Erie Railroad Company for the term of nine hundred and ninety-nine years, which shall net to the Preferred Stockholders of The Pittsburg, Bessemer and Lake Erie Railroad Company six per cent. per annum upon the par value of their stock and to the Common Stockholders of The Pittsburg, Bessemer and Lake Erie Railroad Company three per cent. per annum upon the par value of their Shares during the existence of said lease."

MR. SCHWAB: I understand this three per cent. will amount to about $140,000.00 per year, as the maximum obligation which The Carnegie Company will be assuming. This is exclusive of our own stock. I think there is no doubt, with the increased capacity of the road next year, it will much more than earn this. It will much more than do this this year. The P. B. & L. E. road will earn $250,000.00 this year after paying interest charges, and next year, with a million tons more ore coming down, with our new equipment, we can make a very nice showing.

The motion was carried, the vote being unanimous. In connection with the foregoing, the following resolution was offered by Mr. Clemson, and seconded by Mr. L. C. Phipps:—

"RESOLVED, That the form of lease this day submitted to us from The Pittsburg, Bessemer & Lake Erie Railroad Company to the Bessemer and Lake Erie Railroad Company is approved, and the President and Secretary are authorized and directed to execute and acknowledge this lease, under the corporate seal, on behalf of The Carnegie Company as one of the parties thereto guaranteeing the performance of the covenants of the lease by the Bessemer and Lake Erie Railroad Company, whenever the said lease shall have been approved by the stockholders of The Pittsburg, Bessemer and Lake Erie Railroad Company."

The motion was carried, the vote being unanimous.

The form of lease referred to above, is as follows:

INDENTURE.

This Indenture made and entered into this day of A. D., 1901, by and between The PITTSBURG, BESSEMER & LAKE ERIE RAILROAD COMPANY (hereinafter called the Pittsburg Company), a corporation existing under the laws of the States of Pennsylvania and Ohio, party of the first part, and the BESSEMER AND LAKE ERIE RAILROAD COMPANY (hereinafter called the Bessemer Company), a corporation existing under the laws of the State of Pennsylvania, party of the second part, and THE CARNEGIE COMPANY, a corporation existing under the laws of the State of New Jersey, party of the third part.

WHEREAS, The said Pittsburg Company operates a main line of railroad extending from a point on the center line of the Union Railroad in the Borough of East Pittsburgh, Allegheny County, State of Pennsylvania, through the counties of Allegheny, Butler, Mercer, Crawford and Erie in said State of Pennsylvania to a point at or near the south side of Twelfth Street in the City of Erie, in said County of Erie, and, also, extending from its said line of railroad at or near Cranesville in said County of Erie, through said County of Erie and into and through the County of Ashtabula, in the State of Ohio, to a point upon the harbor of Conneaut on Lake Erie in said County of Ashtabula, together with branch lines appurtenant to said main line, and said Pittsburg Company is also the lessee of and operates the railroad of the Meadville, Conneaut Lake and Linesville Railroad Company extending from a point in the City of Meadville, in the State of Pennsylvania, to a Junction with the Erie and Pittsburg Railroad in the Borough of Linesville, all in Crawford County, Pennsylvania; and

WHEREAS, the Bessemer Company is a corporation organized under the general railroad laws of Pennsylvania and is authorized and empowered by said laws and by its charter to operate a railroad between a point of connection with the railroad of the Pittsburg Company at or near Kremis Sta-

ion, in the County of Mercer, State of Pennsylvania, and a oint on the Jamestown and Franklin Railroad near Salem tation in said County of Mercer, and also by said laws is au horized to contract to and to lease and operate railroads ithin the State of Pennsylvania, and is also, as such a corpor tion, authorized and empowered by the laws of the State of hio to contract to and to lease and operate railroads within he State of Ohio; and

WHEREAS, The Carnegie Company is a corporation or anized under the laws of the State of New Jersey and is uthorized and empowered, amongst other things, by its char er to hold shares of the capital stock of other corporations, nd has invested in and owns shares of the capital stock of he said Bessemer Company, and said Carnegie Company is lso authorized and empowered by its charter to guarantee he payment of dividends or interest upon any shares of stock, onds, debentures, or other securities or obligations of other orporations; and

WHEREAS, The Bessemer Company, at the instance and re uest of The Carnegie Company, did offer to contract to and o lease and operate the railroad of the Pittsburg Company or the term of nine hundred and ninety-nine years and to ay the rentals and perform the covenants hereinafter speci ied, and The Carnegie Company as owner of shares of the apital stock of the Bessemer Company and interested there fore in the execution of this lease and requesting the same as offered to guarantee the payment of the rental and the erformance of the covenants hereinafter specified, and

WHEREAS, The stockholders of the Pittsburg Company at meeting held at the offices of the company on the 16th day f January, A. D. 1901, after consideration of the said offer f the said Bessemer Company and of The Carnegie Company, d authorize the lease of the railroad of said Pittsburg Com any to the Bessemer Company upon the guarantee by the arnegie Company of the rentals and covenants made there or by said Bessemer Company;

NOW, THEREFORE, THIS INDENTURE, Made and entered into the fulfillment of the provisions in that behalf of the agree ent above recited,

WITNESSETH:

I.

That the said Pittsburg Company, in consideration of the premises and of the covenants and agreements by and on the part of the said Bessemer Company, to be kept and performed, hereinafter contained, does, on its part

FIRST. Demise and lease to the said Bessemer Company, its successors and assigns, all and singular the main line of railroad owned by it, the said Pittsburg Company, and hereinbefore described, together with the several branch and leased lines appurtenant to said main line, and also all the plant, equipment, rights, privileges, contracts, leases, operating and trackage rights, and property of every kind and nature, appurtenant to said main line and branches, acquired or held, or which may be hereafter acquired or held for use in connection therewith, either in constructing, extending, maintaining or operating the same; To HAVE AND TO HOLD the said demised and leased premises and property, to the said Bessemer Company, its successors or assigns, as aforesaid, for and during the full term and period of nine hundred and ninety-nine years from and after the first day of April A. D., 1901.

SECOND: Covenant and agree as follows, to-wit:

1. That during the continuance of this lease it will preserve its corporate organization and will, from time to time, and in due time, perform all acts which it is or may be by law, in that behalf, required to perform; and will neither do, nor omit to do, any act by which its corporate existence, rights and franchises, or either of them, may become subject to forfeiture or impairment; that the said Bessemer Company, its successors and assigns, shall have exclusive and undisturbed possession of the said demised railroad and property, with the right to control and operate the said railroad; and that it, the said Pittsburg Company, will, to the extent of its corporate power, make any and all further and other assurances, conveyances and contracts which may be advised by

counsel, to protect the said Bessemer Company, its said successors and assigns, in such possession and in the exercise of such rights.

2. That it will, from time to time, construct such branches of said demised railroad as the said Bessemer Company may request and for which it may furnish the money to be used in that behalf by the said Pittsburg Company.

II.

That the said Bessemer Company, in consideration of the premises, does, on its part, covenant and agree as follows, to-wit:

FIRST.—That it will and does hereby lease from the said Pittsburg Company the said hereinbefore described railroad and property for and during the said term hereinbefore specified; that it will, during the continuance of said term, maintain, work and operate the said railroad in all respects as it would be bound to do and would do if it were the owner thereof, with like franchises, powers, rights and privileges, charter, statutory, or other, which the said Pittsburg Company now possesses, and subject to the like duties and obligations as now rest, or may be hereafter imposed upon it, the said Pittsburg Company, in the premises, and will observe and perform such duties and obligations in the same manner as the said Pittsburg Company would be bound to do if this indenture were not made; that it will perform the obligations of the several contracts of the Pittsburg Company with other companies as fully as the Pittsburg Company might be required to do and especially the obligations of an agreement dated April 9th 1896, between The Carnegie Steel Company, Limited, the Union Railroad Company and The Pittsburgh, Shenango and Lake Erie Railroad Company. That it will neither do, nor omit to do, any act whereby the corporate franchises, rights or privileges of said Pittsburg Company, or either of them, may become subject to forfeiture or impairment; and that it will indemnify and save harmless the said Pittsburg Company against all liability, actions, damages and losses which may, in any manner, arise from

or on account of any act or omission of it, the said Bessemer Company, its agents or employees.

SECOND.—That it will not, during the continuance of this lease, without the consent in writing of said Pittsburg Company, change the location of any part of said main line of railroad or of any branch line, but will maintain and preserve said railroad, main line and branches, and all plant, equipment and other property appurtenant thereto or included in this lease, in good and proper repair and condition, and at the expiration of this lease, by default or otherwise will return said railroad and property to the said Pittsburg Company, its successors or assigns, in as good condition in every respect as when received hereunder; and will also, at the same time, so surrender all betterments or improvements made or new branches constructed, or equipment procured during the continuance of this lease, under the provisions in that behalf herein contained, or otherwise, at the cost of said Pittsburg Company.

THIRD.—That during the continuance of this lease it will pay or cause to be paid as and for rental of said railroad and demised property:

1. Annual dividends upon the preferred shares of the Pittsburg Company at the rate of six per centum per annum upon the par value (to-wit, fifty dollars) of said shares payable semi-annually, in equal installments upon the first days of June and December in each year.

2. Annual dividends upon the common shares of the Pittsburg Company at the rate of three per centum per annum upon the par value (to-wit, fifty dollars) of said shares payable semi-annually in equal installments, the first payment to be made upon October 1st, 1901, for the preceding six months, and thereafter upon the first days of April and October in each year.

3. The interest as the same shall be made payable by the terms thereof upon the bonds of the Pittsburg Company including therein equipment trust bonds and the bonds of The Pittsburgh, Shenango and Lake Erie Railroad Company.

4. In due season all taxes and assessments that may be levied or become chargeable on the said demised railroad and property or upon the said Pittsburg Company by reason of its ownership thereof and, also, to assume and pay all rentals and valid obligations of the Pittsburg Company under its leases, contracts and agreements with other companies or individuals.

5. As may be required the cost and expense of maintaining the corporate organization of the said Pittsburg Company and the salaries of its officers.

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FEBRUARY 11, 1901.

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ORE SALE.

MR. GAYLEY: I would like the authority of the Board for a transaction involving the sale of some ore. Some time ago we made a loan to Corrigan, McKinney & Co. of $200,000. In addition to that we have been negotiating for the Columbian Mine, which is non-Bessemer Ore, of the same class as the Corrigan Mines. We do not want to retire from the non-Bessemer Iron market, because our staying in enhances the value of both of these properties, and it is possible that we may get both of them at a cheaper price a little later on. I think it is advisable, therefore, that we should market 100,000 tons of our Iron River ores. We have sufficient non-Bessemer Ores for Basic Iron. In addition to this, I came over on the steamer with MM. McClurg and Douglass, who represent the Sault Ste Marie Mines. They expect to put a lot of ore on the American market this year. I have an arrangement with them, or rather they made me an offer, to sell all their ore to us, which comes to the United States, and they are willing at any time to make an arrangement with us to control their ores for the American market.

I had a talk also, with M. A. Hanna & Co., last week, in order to bring them to a proper frame of mind for dealing with us. I think it is policy for us to market at least a couple of hundred thousand tons of non-Bessemer Ore this season. As I see it, it is going to be ore well expended, through the

acquirement of the larger ore reserves. So far as the Association goes, there is no non-Bessemer agreement, but even if there should be, it is perfectly proper to sell ore at Association prices. The selling of this ore would strengthen our position very materially, as a matter of policy, as we would be known as the marketers of non-Bessemer ore.

MR. SCHWAB: You mean, I understand, that we have plenty of non-Bessemer Mines of our own, and if we acquire other mines, it would be to sell the ore?

MR. GAYLEY: If we are in the market, other mines are not worth so much. It is advantageous in other directions toward the acquirement of other properties owned by the same parties, which own this Columbian Mine.

Other members of the Board spoke briefly in favor of selling the ore under the conditions recited by Mr. Gayley, and it was moved by Mr. Morrison, seconded by Mr. Singer, that the Board of the Oliver Iron Mining Company be authorized to make such sales of non-Bessemer Ore as would be recommended by Mr. Gayley. The motion was carried, the vote being unanimous.

The following minutes of the Directors of the Carnegie Steel Company (Record, page 463 to page 552), are offered in evidence by the Petitioner under the foregoing Stipulation, dated June 26, 1912 (page 359), for all purposes for which said minutes are competent and relevant:

Each and all of said minutes are objected to by Counsel for said Defendants on the ground of incompetency, irrelevancy and immateriality.

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At a Meeting of the Board of Directors of the CARNEGIE STEEL COMPANY held at the General Offices of the Company, Carnegie Building, Pittsburgh, Pa., at 12:30 P. M., on Tuesday, April 23rd, 1901, there were present MM. Corey (President), Bope, Blackburn, Singer, Morrison, Clemson and McCausland: also Mr. Kerr. MM. C. M. Schwab, Gary, Reed and J. E. Schwab absent.

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EDGAR THOMSON STEEL WORKS.

MR. MORRISON: I would like the Board to consider the advisability of ordering an engine for the old rail mill. The present engine has been in since the mill was started. It has given us considerable trouble in the last two or three years, and we are driving it harder than ever. It is only a question of time, and a very short one, until we will have to do something with it. It is old and antiquated, and I think the only thing to do is to put in a new one. From the estimates I have obtained, the total cost of replacing, including foundations, will be about $45,000.00. This would mean shutting down the mill for two weeks, but we can do that later on when some of our furnaces are out. My idea is to put in a good, economical engine; the mill is worth it. While we have bids from all the responsible engine builders, I would select Wm. Tod & Company, of Youngstown, who seem to have the simplest engine, and I think the best price. If placed promptly, they can deliver in six months' time.

MR. COREY: I fully concur in Mr. Morrison's views, and, with the approval of the Board, will recommend to the Presi-

dent, the expenditure of $45,000, to purchase this engine. There should be no delay in placing the contract. The Board should understand that all expenditures over $10,000, must be approved by the Executive Committee in New York.

I will ask Mr. Morrison to write me a letter on the subject, which I will endorse and ask for immediate action.

To this all agreed.

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At a Meeting of the Board of Directors of the CARNEGIE STEEL COMPANY, held at the General Offices of the Company, Carnegie Building, Pittsburg, Pa., at 12:30 P. M., on Tuesday, April 30th, 1901, there were present MM. Corey, President, Bope, Blackburn, Singer, Morrison, Clemson, McCausland, Reed and J. E. Schwab: also Mr. Kerr. MM. C. M. Schwab and Gary absent.

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CONTRACT WITH NATIONAL TRANSIT COMPANY.

MR. BOPE: I have had a conference this morning with Mr. Arnold, of the National Transit Co., relative to his requirements for the remainder of the year. He wishes to place an order for 25,000 tons of steel, with an option on another 25,000 tons, or he will place the first 25,000 tons outright, leaving the question of price on subsequent orders to be taken up at the time he is ready to place them. I have quoted him 1.60c. per pound, which Mr. Arnold reports is too high, both as regards other prices he has received and as regards the cost of pipe from our steel in comparison with what would be quoted by the National Tube Company. He thinks the price should be 1.35c. for the groove skelp, and 1.40c. for the wider sizes. Personally, I think these prices are too low, but knowing the connection of the Standard Oil Company with the new organization, and that it is the wish of President Schwab that these people be properly treated, I think, perhaps, some concession should be made to Mr. Arnold. I should like to have the views of the Board on the subject.

Some discussion ensued, and the Board agreeing that possibly some concession should be made, it was decided to give

Mr. Arnold a minimum of 1.50c. per pound, which it was believed would be a satisfactory basis.

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(Meeting June 4, 1901.)

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PROPOSED CONSOLIDATION OF NATIONAL STEEL AND STEEL HOOP COMPANIES WITH CARNEGIE STEEL COMPANY.

MR. COREY: I have a letter from Mr. Schwab, in which he states that the consolidation of the National Steel and Steel Hoop Companies with the Carnegie Steel Company, can take place very soon after July 1st. * * * *

I would like to have the views of the Board as to whether or not they think it is a good move to absorb these companies.

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MR. BLACKBURN: I favor absorbing, aside from the labor question, because these companies make our same lines and can be easily taken care of.

A general discussion then followed, in which all the members of the Board took part, in which it developed that all practically agreed on the advisability of the consolidation, and felt that so far as the labor feature is concerned, each situation could be met as it arose and that it would work out to the entire satisfaction of the operating and of the Carnegie Steel Company, Mr. Corey concluding the discussion by saying that, as the Carnegie Steel Company has always been the largest manufacturer of steel in this country, the consolidation will only make us doubly strong. National produces 6,500 tons per day of ingots, which added to the 13,000 tons of the Carnegie Steel Company, would give a daily output of almost 20,000 tons.

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(Meeting June 11, 1901.)

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MR. BOPE: We closed, during the past week, with the George A. Fuller Co., a three years' contract covering their entire requirements of structural steel; prices to be fixed monthly. We regard this as a good contract, as the Fuller Company is a most enterprising concern, and it gives us backbone tonnage of the class we need most.

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(Meeting July 1, 1901.)

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OPERATING THE NATIONAL AND STEEL HOOP COMPANIES.

MR. COREY: We have made arrangements to take over the properties, as of to-day, of the National Steel and the Steel Hoop Companies. This will be on an operative basis only, it being impossible to either lease the plants or absorb them as we expected to do at first. It is necessary to maintain separate organizations, and operate the plants as separate organizations.

JUDGE REED: There was no personal objection, so far as the National Steel Company is concerned, to leasing, but there was objection on the part of some of the stockholders of the American Steel Hoop Company. One man in particular threatened suit if a lease was made on terms he did not consider satisfactory. He only owned ten shares, and it would seem, ordinarily, that that was too insignificant to bother with; but Judge Gary's great desire was that there should be no litigation in the next six months about any of these properties, and he decided that it was not wise to take any steps in that direction.

Then the question came up as to the propriety of making a consolidation, instead of a lease, but that involved the same difficulty, because any stockholder who was not satisfied with the consolidation, could demand an appraisement and an ap-

praisement at any time of all these properties to decide what the stock is worth, would be embarrassing, to say the least.

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(Meeting August 6, 1901.)

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NEW CASTLE PLANT—NATIONAL STEEL COMPANY—HOT METAL.

MR. MCCAGUE: I would report that the Pennsylvania Company Officials have practically agreed to our proposition to them respecting the handling of the Hot Metal from No. 4 Furnace at New Castle Works in every particular; although their Transportation people were opposed to it, they agreed to give us what we wanted for commercial reasons.

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(Meeting December 23, 1901.)

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PRICE OF PIG IRON FOR FIRST QUARTER, 1902.

In regard to the price of Pig Iron for the first quarter of 1902, on which to base prices between departments, after some discussion, in which it developed that the Valley price for Pig Iron would be advanced 50c. per ton, and that coke would increase 25c. per ton—it was moved by Mr. Blackburn, seconded by Mr. Clemson, that the price of Pig Iron for the first quarter of 1902 be fixed at $15.00. The motion was carried, the vote being unanimous.

(Meeting Jan. 7, 1902.)

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PIG IRON SUPPLY AND PRICE.

MR. COREY: We have bought some more Southern Mill Iron for Homestead and Duquesne. I think we are the sug-

ed now for Pig Iron for the first quarter. $16.50 per ton, delivered at our works, is the highest price so far by us.

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(Meeting Jan. 28, 1902.)

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PRODUCTION REPORT.

MR. COREY: I thought you would all be interested in knowing the tonnages produced by our various plants during the year.

In 1900, in round figures, we produced 8,880,000 tons of Pig Iron of various grades, Blooms, Billets, Slabs and finished material.

In 1901 we produced 10,875,000 tons—a gain of 1,995,000 tons, notwithstanding the strike and various other troubles. This tonnage applies only to the Carnegie Steel Company.

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EARNINGS.

MR. COREY: As a matter of interest, I might say that the net earnings of the Carnegie Steel Company, during the year 1901, were $20,159,191.00. The earnings of The Carnegie Company were $29,262,000.00, which were made up of the earnings of the Carnegie Steel Company and the various other sub-companies of The Carnegie Company.

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(Meeting Feb. 3, 1902)

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NATIONAL STEEL COMPANY.

MR. MCCAUSLAND: For the information of the Board, I would report that the National Steel Company renewed $2,170,000.00 of its obligations on January 29th, of notes ma-

turing in Boston and New York, on a four per cent. basis. I took the matter up with J. P. Morgan & Company, as to the advisability of placing some of that loan in Pittsburg. They were, at first, not disposed to allow us to do so, but finally assented, if I could get as low rates here as in the east, on which condition they agreed to allow us to place $700,000.00 here.

Of this amount, the Farmers took $500,000.00 and the Mechanics National and Bank of Pittsburg each $100,000.00, at the same rates we got in the east. I felt gratified that they allowed us to do that, as it has given some of our local banks here the interest.

Mr. Donnell, President of the Bank of Pittsburg, told me he would have to call in some five per cent loans to aid us, which showed how anxious they were to get the business.

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(Meeting Feb. 11, 1902)

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PIG IRON SUPPLY.

MR. DICKSON: I received a letter in New York, from Mr. J. G. Butler, as President of the Valley Pig Iron Association, urging that we purchase now Iron for at least the third quarter, giving as his reason the fact that many of the Furnaces have been approached with the idea of putting them on Malleable, Grey Forge and other such grades, thus taking them off Bessemer, and thereby curtailing the supply of Bessemer that would otherwise be available. I think perhaps the real reason is that other large consumers, like Cambria and Pennsylvania are making more attractive offers than we will make. Mr. Snyder has also made the same suggestion.

I deem the matter very important, and would like to get the opinion of this Board on it.

MR. MCCAUSLAND: At what price?

MR. DICKSON: $16.00, or an advance of 25c. per ton, which I think is a fair price. Mr. Butler asked me to say what I would consider a fair price, if we decided to buy as he sug-

gested, but as he was unable to fix a definite quantity he could offer, I told him that we would have to have an absolute offer of a definite tonnage before we could decide. He is to call a meeting, and will tell us on next Saturday.

MR. SINGER: I do not believe we will be able to buy metal any cheaper this summer, but will we not be in a little better position then as to our requirements?

MR. DICKSON: I think not, on account of some of the Furnaces dropping out. The total quantity required will be approximately 100,000 tons for the quarter. We are practically all right up to July 1st.

MR. SINGER: I think, under the circumstances, and if the advance does not amount to more than 25c. per ton, it would be prudent to buy now, as proposed, there being no question about our business for the year.

MR. BLACKBURN: It is a little early to buy for the third quarter, but it appears that conditions warrant our doing so.

MR. DICKSON: The tonnage I mentioned includes requirements of Carnegie, National and Lorain. All the other constituent companies are practically self contained.

As to the price, I might add that Mr. Butler says if you see fit to offer only the price paid for the second quarter's supply, the Association might feel bound to accept it, but they will certainly be aggrieved, as they ought to have at least $16.00. If we, therefore, offer $16.00, it is reasonably certain they will accept.

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After further discussion of the subject, it was decided to record it as the sense of the Board that the purchase should now be made, at $16.00 per ton, f. o. b. Valley Furnaces.

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(March 11, 1902.)

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ORE SITUATION.

JUDGE REED: When do you expect navigation to open?

MR. KERR: I think it is likely that it will open somewhat

sooner than it did last year—probably not later than the first of May.

In connection with the opening of navigation, I would like to state that the United States Steel Corporation owns about 73% of the stock of the Pennsylvania & Lake Erie Dock Company. This dock is at Fairpoint, and the railroad connecting with it is the Baltimore & Ohio.

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(Meeting April 1, 1902.)

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PIG IRON.

MR. DICKSON: I want to call attention to the Pig Iron situation. You, of course, all appreciate it, but it has not been brought up very much in the discussions—that we have come to the time now when it is absolutely impracticable to depend on the open scrap market to operate our Open Hearth furnaces, and times are tending every day to the elimination of scrap and to the use of practically 100% Pig Iron. When it becomes necessary to take that percentage into account, it will make a radical change in the amount of Pig Iron required by our allied companies to operate. It would mean, instead of two furnaces, we certainly ought to have two additional ones at Duquesne.

With the Monell Process, it is possible to use 100% Pig Iron. It makes a better steel, with practically as large product. Two years ago the back-bone market for scrap going into open hearth furnaces, was the Railroad market. To-day steel rails are over $20.00, and are simply out of the question for melting stock.

I made up a little statement for Mr. Schwab a few weeks ago, and the figures are approximately as follows, comparing 1898 with 1901:

The blast furnace capacity in this country increased a little over 30%; Bessemer Ingot capacity increased about 23%; Open Hearth capacity increased 135%.

This is simply wiping out the scrap market, as everybody is bidding the market up to-day.

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(Meeting April 8, 1902.)

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HOOPS.

MR. COREY: Mr. Bope reports that, at the meeting of the Hoop Makers yesterday, both Pittsburg and Sharon insisted upon an immediate advance in the price of Hoops, which we opposed, but finally compromised on the proposition to advance the price on lots of 250 tons or less, to 2.00c. per pound, leaving larger quantities at the old price. We sell most of our Hoops in large quantities. It is likely the other two companies, at the next meeting, will insist upon advancing the price on all quantities. It is my opinion we should not make any further advances. The Sharon people say they are placed at a great disadvantage, because they are paying $32.00 per ton for Billets. The Pittsburgh Steel Hoop Company has a contract with us which expires July 1st. Mr. Rowe is anxious to make a scale contract with us for all their requirements of Billets. We told him we could not sell for delivery until after the first of January, and even not under these conditions unless we are able to cancel some other contracts to take them on.

I never saw such a condition of affairs as exists to-day. Mr. Dickson is buying Billets abroad for the Steel & Wire Company, and is also endeavoring to purchase some Pig Iron.

(Meeting May 5, 1902.)

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ARMOR PLATE PLANT IN JAPAN.

MR. COREY: The question of the building of an Armor plant in Japan has been up a number of times. The report now comes to us from England that the Japanese Parliament has voted the sum of £680,000 for the purpose. The English

Group of the Armor Pool feel satisfied that if the Armor combination would agree to erect a plant over there, and operate it for a term of years, the Japanese Government would not build their own plant—it being agreed that at the expiration of the term, the Government would buy the plant at a certain figure. It is desired to have the plant built by the Armor Pool, our share being £57,000. Personally, I am not in favor of the scheme. If Japan wants to build a plant it will take at least ten years before it can be completed and put in successful running operation. I do not feel we would be justified in recommending the expenditure of any money for such a purpose.

It is quite likely, in case we refuse, the other members of the Armor combination would go ahead, leaving the American group out—to which I can see no particular objection.

The proposition was discussed, the Board being of the unanimous opinion that the scheme is not advantageous to us, but that we would enter no objection to the construction of such a plant by the other members to the Armor Agreement.

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(Meeting June 3, 1902.)

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Mr. Bope: In addition to the rails shown on the report, we have about 17,000 tons outstanding on contracts, and other sales pending. The price for rails for next year was fixed last week at $28.00. As yet we have made no sales, although we have some negotiations pending, but Illinois has actually closed for 65,000 tons and have an inquiry from the Milwaukee and St. Paul road for 80,000 tons.

In other features of the market there has been no particular change. We hear of a weakening in Bar Iron in the West, which is unaccountable, in view of the high price and scarcity of both Pig Iron and Scrap.

In structural material the demand continues unabated. In this connection, we are having considerable inquiry for stock, structural material, from jobbers, which is an unusual feature, and doubtless due to changing market condi-

tions. This inquiry is for next year's delivery. There are so many questions involved in having jobbers handle this class of our product, that I have not felt like deciding the matter myself, and would like an expression from the Board on the subject. We have held off all such inquiries until the situation for next year more clearly develops.

A long and interesting discussion ensued as to the policy of handling structural material through jobbers, the consensus of opinion being that, for the time being at least, it was not desirable. The President said that he considered the matter one of great importance, involving all the interests of the United States Steel Corporation, and that he thought it would be advisable to lay the matter before the proper officials of the Corporation, with the idea that stock carrying should be done by the Corporation in behalf of all the companies, that the profits might accrue to the manufacturer, and not to the jobber.

To this all agreed, and the General Manager of Sales was instructed to lay the matter before the proper officials of the Steel Corporation.

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(Meeting June 10, 1902.)

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STRUCTURAL MATERIAL FOR JOBBERS.

MR. BOPE: Referring to our discussion at last meeting, relative to selling structural material to jobbers, I would report that, when I was over in New York I took the matter up with the officials there, explaining to them the position of our Board with respect thereto, but there are two or three reasons that lead them to think it would be a good thing to sell to jobbers, such as—

1st—It would tend to increase the use of structural material;

2nd—Refusal might stimulate competition; because it would be a comparatively easy matter for some of the large

jobbers to get together and build Structural Mills of their own.

3rd—Jobbers reach a class of consumers that it is almost impossible for us to reach.

But, as I told Mr. Corey, the reason that appealed to me most strongly was the last one mentioned; that is, that through the jobbers we could reach a class of customers that we could never reach direct. The jobbers carry their small customers along and extend favors to them, the same as the Cotton Tie jobbers do in the south, such as selling them on long credit, making them loans, etc.

Further discussion of the subject elicited the understanding that if we did sell to jobbers, we would only sell on stock orders as a rule, and would not refuse to sell to anyone who wished to buy direct, although the effect of selling to jobbers would result, naturally, in turning the small buyer over to the jobber, because the latter would be able to make better deliveries.

Mr. Bope having explained that it was not necessary to settle the question now, no formal action was taken thereon.

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(Meeting Aug. 26, 1902)

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MR. BOPE: * * * The President directed me, a few days ago, to go after Sheet Bar tonnage, and we have closed for between five and six thousand tons at very good prices, one sale being at $33.00 our works. We have to do this, because the Sheet Steel and Tin Plate Companies are not requiring the tonnage in this line that we have to dispose of. Our selling to the independent mills at high prices ought to react to the benefit of the Tin Plate and Sheet Steel Companies later, because if we can fill these other people up at high prices, our Companies can cut prices and take the orders.

Our Hoop Mills are in good shape, excepting the 8″ and 10″ Mills referred to at last meeting. We have too many such mills in this country. We might sell abroad, but the prices would net so low that I deem it better to sell Billets instead.

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(Meeting Sep. 23, 1902)

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MR. BOPE: We have outstanding thirteen rail contracts, aggregating 155,000 tons. This does not include two contracts received this morning, aggregating 5,000 tons, and a sale just closed with the Grand Trunk Railway System, for 20,000 tons. Edgar Thomson and National are now sold through August, which puts us in good shape for all of 1903, as the tonnage needed for the remainder of the year can easily be picked up from time to time.

In our other lines conditions remain practically unchanged, except that the demand for plates is becoming a more serious matter every day.

Regarding the Sheet Steel situation, when I arrived in New York last week, I found that the Sheet Steel Company had already made a reduction of $5.00 per ton on galvanized, and $3.00 per ton on black sheets. This was not an open cut, but was made only to their most favored customers, with the idea of getting them to move their stocks and thus bring about some activity in the market. It was the opinion of Mr. Topping, and also of the meeting, that this would not have much effect, and that if a reduction was to be made at all, it should have been radical. It developed in the meeting that all the constituent companies, except Tin Plate, were in such shape that a radical cut would not have produced a bad effect.

The Tin Plate Company are covered by contracts up to the first of December. At that time they anticipate making a heavy cut in prices, which they think will put 90% of their competitors out of business. If this move proves as successful in securing business as is expected, the Sheet Steel Company will probably reduce to an equivalent basis. Both Companies figure that they can then run full for at least the first half of next year.

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(Meeting Nov. 4, 1902)

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MR. BOPE: There is one matter I wish to bring up and that is the price of Pig Iron in connection with our scale contracts. The average market price for October was $22.29, an advance of about a dollar over the price for September. I feel that this price is too high, yet it is the actual average for sales made during the month, which, however, amounted to only 32,000 tons. If we were to hold our scale contract customers to a price of $22.25 for Pig it would make the price of billets to them higher than the present market, thus giving their competitors an advantage over them.

MR. COREY: They cannot say that we forced the price up as we did not buy any iron; but I do not think we should force them to pay more than the market price for billets, except perhaps in the case of Union Steel Company. I think it would be a good plan to hold them to the contracts if it can be done. I am strongly in favor of pushing Union Steel Company as hard as we can. There is nothing we can do to smooth matters over with them as they are determined to do all they can against us. For the others I think $28.00 for billets would be high enough.

MR. BLACKBURN: Considering that our scale contract customers have always had the benefit of low Pig Iron prices, and have usually secured their billets below the ruling market rates, I think they should all live up to their contracts and pay the higher price now.

JUDGE REED: Why not put out $22.25 and let them ask for a concession before we grant it. This may help us in the settlement of some controversies we have with the Union Steel Company, and it will be complying with the terms of the contracts. If reductions are finally made it should be with the distinct understanding that the contracts are not affected by such action, as the waiver of any of the conditions of the contracts would be to destroy their effect.

After further discussion it was decided to act on Judge Reed's suggestion, submitting $22.25, and making adjustments later if necessary.

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New Tonnage Records.

Mr. Corey: I think it would be well to embody in the minutes of this meeting each month the new tonnage records made on our mills and furnaces. During October the following records were made:

Carnegie Steel Company.

	Month
Total Ingots	363246
Total Plates	65882
Total U. M. Plates	37185
Total Sheared Plates	28697
Edgar Thomson Furnaces (Total)	105391
Edgar Thomson Steel Works	
#2 Rail Mill	16328
Duquesne Steel Works	
Finished Material	91727
Splice Bars	7289
O. H. Ingots, #1	41494
40″ Mill, B. B. & S.	33114
14″ Mill, Billets	13775
13″ Mill, Merchant Bars.	6332
Homestead Steel Works.	
Total Ingots	184918
Bessemer Ingots	42623
Open Hearth Ingots	142295
Open Hearth Ingots, #2	49157
Open Hearth Ingots, #3	73346
28″ Mill	20465
40″ Mill	21920
10″ Mill	3412
35″ Mill	19936
30″ Slabbing Mill	31685
119″ Plate Mill	11570
128″ Plate Mill	17127
48″ Universal Mill	15592
Armor (Shipments)	1064

Upper Union Mills.	
Total	30188
8″ Mill	1370
12″ Mill	2941
17″ Mill	4950
18″ Mill	4195
20″ Mill	6651
Plate Mill #2	4357
Lower Union Mills.	
9″ Mill	1173
15″ Mill	2545
Howard Axle Works	11275

National Steel Company.

New Castle Furnaces	45513
Mingo Furnaces	33883
Bellaire Furnaces	21786
Single Furnace	11030
Ohio Steel Works, Ingots,	66378
Ohio Steel Works, Rails.	50420

American Steel Hoop Company.

Isabella Furnaces (Total)	26263
Bessemer Iron	8836
Clark Mills	
20″ Mill	1737
Painter Mill	
16″ Mill	3267
McCutcheon Mills (Total)	6113
8″ Mill	460
16″ Mill	4109
Duncansville Mills	
10″ Mill	1142
Puddle Mill	1422
Upper Union Mills	
8″ Mill	1757
12″ Mill	2790
Warren Mills (Total)	4736

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(Meeting Dec. 9, 1902.)

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NEW TONNAGE RECORDS.

During the month of November the following highest tonnage records were made:

CARNEGIE STEEL COMPANY.

DUQUESNE STEEL WORK:	
10″ Merchant Mill	5274

NATIONAL STEEL COMPANY.

Bellaire Furnaces	22411
Single Furnace	17201
Bellaire Steel Works—Ingots	25762
Bellaire Steel Works—Finished	23439
Bellaire Steel Works—Sheet Bars	22381

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(Meeting December 15, 1902.)

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MR. BOPE:

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I cannot see that the general situation has changed to any extent during the week. We find greater activity on the part of Jones & Laughlins and Cambria, in going after structural material. Apparently they are both after business, and are making pretty low prices on fitted work. Of course we are not in shape to take on much fitted work, as our shops are full and we must depend upon the American Bridge Company. A building in St. Louis has just been let, requiring 2,000 tons. We wanted this tonnage, but Cambria's price on the fitted work was just about the Bridge Company's cost. I told the Bridge Company to take

the work and I would see if we could not put it into our own shops and give them something on which they could make a profit. I feel that we may have to do something of this kind, in order to let the Bridge Company take business and supply us with plain tonnage. This is a matter that will have to be watched closely for the next few months, although our position is such that we can take this class of business at any time against the competition of other mills. In a quiet way several things have come up that will not be put upon the market at all. We will get them at practically our own figures. I do not feel that the structural situation is as weak as it was a short time ago.

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(Meeting January 5, 1903.)

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NEW TONNAGE RECORDS.

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During the month of December the following new tonnage records were made:

CARNEGIE STEEL COMPANY.

Edgar Thomson Furnaces (total output)	106,078
LOWER UNION MILLS:	
12″ Mill	2,602
15″ Mill	2,556
72″ Mill	4,371
Pointed Spring Steel	1,251

AMERICAN STEEL HOOP COMPANY.

PAINTER MILLS:	
16″ Mill No. 1	3,416
McCUTCHEON MILLS:	
Angle Mill (16″)	4,183

WARREN MILLS:	
20″ Mill No. 2	3,741

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(Meeting January 27, 1903)

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MR. BOPE: We have outstanding rail contracts aggregating 34,000 tons. We have quotations out on between 200,000 and 300,000 tons. All the sales of any consequence last week were for traction roads. We have a very heavy volume of inquiry from that source, in lots from 500 to 5,000 tons. Pennsylvania is away ahead of its allotment, and, while it is too early in the year to ask for transfers, we will more than likely get some western tonnage from them. With this and what we may expect from Lackawanna, both Youngstown and Edgar Thomson will be provided with tonnage at least through September. The way the situation on Bessemer Billets appears at present, with increased demands from the constituent companies, and with Union to be provided for, it looks as if Youngstown would have to go on billets before a great while, and in that case we will have Edgar Thomson well filled for the rest of the year.

As to the general trade, we have made heavy gains in structural, plates and axles, during the past week. Although the report shows a loss in axles, we have made a sale to the American Car & Foundry Company, of which the details are not yet completed, involving 50,000 axles.

Bessemer Billets show a very decided improvement.

We have sold 1,200,000 bundles of cotton ties, although the market has been open only two weeks. Last year our total sales amounted to 1,300,000 bundles, but our allotment has been increased this year. However, we have sold the bulk of our ties for this season, and will hold up the remainder for a better price.

Bars are a little better, and I believe we are getting our share of the orders placed.

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(Meeting February 3, 1903)

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CONTRACTS FOR PIG IRON.

MR. COREY: I might say that Mr. Dickson is here endeavoring to settle up a very complicated matter, and that is the question of non-delivery of iron, due us for the last half of last year, from the Valley Association, who were to be furnished coke by the H. C. Frick Coke Company. About 130,000 tons of this iron has been carried over, and the Coke Company has advanced the price of coke and also will not guarantee to give them coke to make up this back tonnage. Mr. Bentley was in yesterday, and a man from M. A. Hanna & Company is coming in this afternoon to talk it over with us. The situation is very complicated. If we give them the coke to make this iron, it simply means that our own furnaces will make just 130,000 tons less. We have considered several proposition, such as furnishing them the coke and giving them a rebate on the price, or an advance on the price of iron, or giving them a ton of coke for a ton of iron at the rate in force last year, but to do that would mean to shut down our own furnaces and I cannot see that we have anything to gain by that course.

MR. DICKSON: The price of the iron due is $16.50 at the furnace, and the lowest market price now is $21.50 at the furnace, or a clear saving of $5.00 per ton.

Further discussion followed, ending by Mr. Corey stating that, in the absence of the proposition of any other plan, he and Mr. Dickson would try to get the tonnage of iron carried forward on the understanding that the coke would be furnished if the condition of the railroads would permit, but that we would not agree to pro rate shipments. If this plan were rejected, (which seemed very likely), a second proposition would be to cancel the tonnage for a consideration; and, as a last resource, the tonnage would be cancelled outright.

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(Meeting February 10, 1903)

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NEW TONNAGE RECORDS.

During the month of January the following new tonnage records were made:

CARNEGIE STEEL COMPANY.

Edgar Thomson Furnaces	108,397

DUQUESNE STEEL WORKS.

Total Finished Material	93,319
O. H. Ingots	43,803
14" Mill (Billets)	14,262
10" Mill (Merchant Bars)	6,755
13" Mill (Merchant Bars)	6,482

HOMESTEAD STEEL WORKS.

O. H. No. 1	22,872
LOWER UNION MILLS:	
9" Mill	1,203
72" Mill	4,841
Pointed Spring Steel	1,296

NATIONAL STEEL COMPANY.

Sharon Steel Works (Ingots)	11,261
New Castle Steel Works (Ingots)	34,498

AMERICAN STEEL HOOP COMPANY.

McCutcheon (Total)	6,483
18" Mill—No. 3	4,540
Painter 16" 1 No. 1	3,716
Girard 10"—No. 3	1,505
Lower 10" Mill—No. 6	2,038
16" Mill—No. 7	2,411

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(Meeting February 24, 1903.)

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MR. BOPE: We have 40,000 tons of rails outstanding, the most important sales for the week being 10,000 tons each to the Missouri Pacific and Lake Shore roads, and 6,000 tons to the Cincinnati and Columbus Traction Company. Inquiry for rails is just as heavy as ever, and I think we will be able to run Youngstown full practically all year. Our present bookings are sufficient to run Edgar Thomson full throughout the year and leave 150,000 tons for National. The loss in rails, indicated by the report, is caused by transfer of tonnage to Lorain. We have to give them some T-rails from time to time, as they can not run steadily on girder rails.

In other lines there is no special change: everything is just as strong as it has been, or even stronger. Our total bookings of bar contracts last week amounted to about 40,000 tons.

I wish to mention a matter that has come up in the last day or two. The American Steel Company (a firm of brokers here in Pittsburg), have gone to all the independent Sheet and Tin Mills and ascertained that their total consumption per year is 100,000 tons, and have offered us that business for shipments commencing the first of April and continuing over the remainder of the year. They have secured prices abroad that average $28.00 at the seaboard. I think, if we had the steel to sell and wanted to sell it, we could get $29.50 to $30.00 per gross ton at our works. I have stood them off by saying that we have practically no steel to sell, which is true, with the Sheet Steel and Tin Plate Companies taking the tonnage they are at present. If we refused this business, there is a possibility of their going to Clairton. Mr. Snyder has told them that Clairton will be making steel in a short time.

MR. COREY: So far as I can see we will have to let the business go, as we have no bars to sell.

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(Meeting March 10, 1903.)

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MR. BOPE: A large part of the gain in raw materials is due to transfer of contracts of the Sharon Steel Company to our books.

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Bar business is better than it has been any time for the past three or four months. Of course we are not getting more tonnage than we want, but we are getting the tonnage that is offering. I understand Jones & Laughlins' continuous mill is shut down for want of orders.

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NEW TONNAGE RECORDS.

During the month of February the following new tonnage records were made:

CARNEGIE STEEL COMPANY.

Howard Axle Works	11,279
DUQUESNE STEEL WORKS:	
10″ Merchant Mill	5,867
HOMESTEAD STEEL WORKS:	
33″ Finishing Mill	9,664

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At a Meeting of the Board of Directors of the CARNEGIE STEEL COMPANY, held at the General Offices of the Company, Carnegie Building, Pittsburg, Pa., at 12:30 P. M., on Monday, March 16, 1903, there were present: MM Bope (First Vice-President), Blackburn, Reed, McCausland, Clemson, Morrison and Kerr; also H. L. Clark (Secretary to the Board). MM Schwab, Gary, Corey and Singer absent.

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MR. BOPE: * * * In this connection I might say that we have been endeavoring for some time to make an arrangement with the American Car & Foundry Company, whereby they will agree to close down their Bar Mills and order from us all their bar requirements—amounting to about 300,000 tons per year. They want to couple with this a provision, that we shall take care of them on all their other material. They built last year, in round figures, 82,000 cars, in which the tonnage of plates was quite small, as they build very few steel cars. Their business in bars would be particularly desirable, as they would order in long lengths and do their own cutting, and would take such quantities as to make desirable rollings. I think we would have no difficulty in taking care of them on bars and axles, but we might experience some trouble as to shapes and plates. However, I think that, with the new production in prospect, we might be able to supply their requirements in these lines also.

So far we have not been able to agree on terms, but I hope to make a satisfactory arrangement, as the bar tonnage would be very valuable, and would serve as a backbone for the Hoop Company.

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(Meeting March 23, 1903.)

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MR. BOPE: The report shows 649,000 tons of rails actually on the books, and we have in addition 75,000 tons on contracts outstanding, making 724,000 tons in all. This means that if Edgar Thomson averages 60,000 tons and Ohio 40,000 tons per month for the rest of the year, we will have 200,000 tons left to sell, which I anticipate no difficulty whatever in doing. As a matter of fact I think we will be oversold 100,000 tons or more by the end of the year. As an indication of the condition of the rail business at the present time, I might say that we have quotations outstanding on 350,000 tons. Of course a great many of these inquiries are probably "wild-cat," but it shows the volume of business on which we are asked to figure. In this connection we have an inquiry from the Norfolk & Western for 20,000 to 30,000 tons of rails, on

which they want deliveries commencing in September and extending over the rest of this year and into next year. It will not be possible for us to quote on next year's delivery until the Presidents fix the price. Mr. Baker, of the Illinois Steel Company, said last week that he had received inquiries from several of the western roads for rails for next year's delivery.

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(Meeting March 30, 1903)

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MR. BOPE: In addition to the rails shown on the report, we have outstanding 67,000 tons. We booked a number of nice orders during the week, ranging from 500 tons up, and have quite a lot of tonnage pending. The steam roads are coming in for additional quantities.

As a matter of information for the Board I might say that we have decided now to go ahead and push Nickel Steel Rails. We have fixed the price at $64.20.

I understand the Tennessee Coal, Iron & Railroad Company have come into the market again quite actively. They sold 6,000 tons to the Frisco Line, and are bidding on 9,000 tons for a southern road. For a time their product was not regarded favorably by the railroads, but they claim now that they are making as good rails as any mill in the country and are going after tonnage.

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PLATE MILL AT SHOUTH (sic) SHARON.

MR. BOPE: It is reported this morning that the people at South Sharon are delighted with the work of the Plate Mill. They say if they can get the steel, they can turn out 1000 tons per day. That seems like a large output, but the mill has already made a very much better showing than was expected.

Merger of Companies.

Mr. Blackburn: On the 26th of this month The Carnegie Company, National Steel Company and American Steel Hoop Company, all corporations of New Jersey, were merged under the corporate name of National Steel Company, and on the same day the name was changed to Carnegie Steel Company (of New Jersey). It is proposed to have this Company make a working arrangement with the Carnegie Steel Company (of New Jersey), for the operation of all our works, for which purpose the following resolution has been prepared:

Resolved: That the President and Secretary are authorized and directed to execute on behalf of this Company an agreement with the Carnegie Steel Company (of New Jersey), providing for the operation by that Company of the various works and properties of this Company upon a rental, to be agreed upon between the two companies. Possession to be given of the plants upon April 1st, 1903. The Treasurer is also authorized and directed to transfer, as of April 1st, 1903, to the said Carnegie Steel Company (of New Jersey) all materials, stock on hand and other personal property and all monies, bills and accounts receivable, the said Company agreeing to pay all liabilities of this Company and to maintain and operate the properties of this company and to carry out and perform its conctracts and obligations; the said operating contract to continue in force until terminated by six months' notice from either party.

This resolution was seconded by Mr. McCausland and adopted by unanimous vote.

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(Meeting April 6, 1903)

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Mr. Bope: In addition to the rails on the report we have on outstanding contracts 68,000 tons, and we have the extraordinary quantity of 450,000 tons under quotation.

A word of explanation with regard to the large increases

in certain items on the report will be in order. These increases are due to the fact that we have included the Steel Hoop Company's obligations. We did not make many new items, but lumped bars, small merchant shapes, hoops and cotton ties under the heading "Bars", as these are all practically bar products. We made a separate item of skelp, on account of the large tonnage.

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(Meeting April 13, 1903)

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MR. BOPE: The loss in raw material is more apparent than real, being due to the elimination of the Hoop Company's requirements from the report. We were carrying their tonnage with the constituent companies' obligations, but of course, with the merger of the three companies, it becomes a department obligation.

We have outstanding rail contracts aggregating 66,000 tons, and received notice of two new sales this morning—one to the Michigan Central, for 8,000 tons, and one to the M. K. & T. for 13,000 tons. I never saw anything like the volume of rail inquiry there has been this year. We have quotations outstanding now on about 500,000 tons. As of the first of April we had 222,000 tons to sell to fill us up for the entire year, and since then we have booked 30,000 tons, which leaves 192,000 tons to sell. If Youngstown is taken off rails for sixty days (which seems almost unavoidable), it will mean that we will have only 100,000 tons of rails to sell for this year, so that from the present outlook we will carry over a large tonnage into next year.

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(Meeting May 4, 1903)

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NEW TONNAGE RECORDS.

During the month of April the following new tonnage records were made:

UPPER UNION MILLS (Pittsburg)

12″ Mill	3031
Howard Axle Works	12366
Niles Furnace	8772
Sharon Steel Works (Finished)	16151
New Castle Steel Works (Ingots)	37906
New Castle Steel Works (Finished)	32099
Bellaire Steel Works (Ingots)	28735
Bellaire Steel Works (Finished)	26030

WARREN MILLS:

20″ Mill	4565

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(Meeting May 11, 1903)

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PURCHASE OF IRON FOR THIRD QUARTER.

MR. COREY: I should like to have the views of the Board as to the advisability of buying iron for the third quarter. There is understood to be about 65,000 tons in the market for the third quarter's delivery, and if we buy at this time, it will be largely for the purpose of preventing the furnace people from offering it around, and thus demoralizing the market. If we could buy up all that is to be had, it would undoubtedly do a great deal of (sic) strengthen the situation. The price would be around $18.00 Valley.

On discussion it was agreed that iron for the third quarter should be purchased on assurances from the furnace people that 65,000 tons was all the avilable (sic) iron for that quarter and that no more would be put on the market.

(Meeting May 18, 1903)

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Purchase of Iron for Third Quarter.

Mr. Dickson: We have under option (a rather indefinite option, but good for several days at least) all the surplus iron of the Valley Association for the third quarter, amounting to about 55,000 tons at $19.00 Valley. We also have an option from W. P. Snyder on 30,000 tons for the same period, at the same price. I think if we should insist on $18.50 Valley, both would agree to it, but of course we want to pay them as much as the finished material end will stand. I talked with Mr. Willis King of Jones & Laughlings (sic) this morning and he thinks $18.50 Valley would be sufficiently high to maintain finished material. He says they expect to be purchasers to the extent of about 10,000 tons during the fall. I do not think they could be persuaded to go in with us and buy at the same time, as their action will depend upon conditions later. I understand, too, that they intend putting in a new converter.

Mr. Corey: Are you sure that that will take up all the available iron?

Mr. Dickson: As sure as we ever are. It seems that they always have some held back; however, they have both agreed to guarantee the price against themselves. I understand the matter will be discussed in Committee at New York to-morrow.

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Lackawanna and Tennessee Coal & Iron.

Mr. Corey: According to latest reports Lackawanna may get started in October. They are now quoting rails for October, November and December delivery.

I also observe from a letter of one of our agents that the Tennessee Coal Iron & Railroad Co. are offering rails in the South at $2.00 above the agreed price.

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(Meeting July 6, 1903)

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Mr. Bope: * * * There are a couple of items of special interest which I wish to mention. One is that the Louisville

& Nashville Railroad Company placed their order for rails this time with the Tennessee Coal, Iron & Railroad Company. They probably did so because they control the Tennessee Coal, Iron & Railroad Company, and because they wish to develop industries on their own line as much as possible.

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(Meeting July 20, 1903)

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MR. BOPE: * * * I am getting information as to the export market, and expect to have all the figures ready within a week. I think Mr. Corey's idea, with regard to the price of rails, is about right, as the Tehuantepec Railroad in Mexico have just placed an order on which it would have been necessary for us to shade $20.00 mill a trifle to compete. With Tennessee and Lackawanna in the market, I think it will be necessary for the Corporation to sell abroad about 200,000 to 250,000 tons of rails next year, figuring on running all the rail mills full.

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At a Meeting of the Board of Directors of the CARNEGIE STEEL COMPANY, held at the General Offices of the Company, Carnegie Building, Pittsburg, Pa., at 12:30 P. M., on Monday, July 27th, 1903, there were present: MM. Blackburn, (2nd Vice President) Reed, Singer, Clemson, Kerr and Dinkey; also H. L. Clark (Secretary to the Board). MM. Schwab, Corey, Gary, Bope, McCausland and Murray absent.

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The following comment on the market, and on general conditions in the trade, sent to the meeting by Mr. Bope, was read by the Secretary:

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Illinois Steel Company closed, during the week, with International Harvester Company for 40,000 tons of material

at price of 1.46 ½c Chicago. While this is below the market, it was anticipated we should have to make a special rate to these people, in view of their position as manufacturers. We shall not announce, of course, the price of the contract, but once it is known that the Harvester people have bought, it should, and I believe will, cause the other manufacturing people to come into the market.

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(Meeting December 28, 1903.)

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PRICE OF OLD RAILS.

MR. DINKEY: The price of old rails has given us some concern for the last four months. We did not give the matter much consideration during the boom times; but now we find the price of several lines of product, such as light rails, bedstead angles and bedstead tubing, regulated by the price of old rails, a number of small mills scattered throughout the country using them for re-rolling into these articles. They are now selling around $14.00 and have been quite a little lower, and at such prices these small mills are supplied with a very cheap raw material. Under the circumstances, I should like to have the opinion of the Board as to the advisability of going into the market and buying some tonnage of scrap rails, in order to stiffen the price. We could use some of them for re-rolling into light rails, and any surplus could be used for melting stock.

On discussion it proved to be the unanimous opinion that it would be well to enter the market as a purchaser, putting out inquiries judiciously and buying to some extent if necessary, in order to try the effect on prices. Mr. Bope advised that the market had stiffened a little already, and he thought a little stronger demand would put the price up considerably. He stated further that the volume of business actually done by the mills re-rolling rails was not large—probably not exceeding 50,000 tons a year; but by quoting low prices on about every inquiry that came up, they had the effect of demoralizing the market generally.

It was decided to act on the decision of the Board, and Mr. Dinkey asked Mr. Bope to take the matter up with Mr. McKillips.

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(Meeting January 4, 1904.)

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ANNUAL MEETING OF AMERICAN CASTING MACHINE COMPANY.

Mr. Blackburn offered the following resolution:

"RESOLVED, that proxy of this Company be issued to K. K. McLaren, E. W. Heyl and W. J. Patterson, or either of them, authorizing them to vote the shares of stock of the American Casting Machine Company standing in the name of this Company for the following as directors of the American Casting Machine Company: Julian Kennedy, James Scott, D. G. Kerr, E. W. Heyl, Kenneth K. McLaren and W. J. Patterson, at its Annual Meeting, to be held at Jersey City, N. J., January 9th, 1904."

Resolution was seconded by Mr. McCausland and carried by unanimous vote.

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(Meeting January 25, 1904.)

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ANNUAL MEETING OF MAHONING ORE & STEEL COMPANY.

The following resolution was offered by Mr. Blackburn, seconded by Mr. McCausland, and adopted by unanimous vote:

"RESOLVED, That A. P. Robinson and D. G. Kerr, or either of them, be and they are hereby authorized to vote the shares of stock of Mahoning Ore & Steel Company owned by this Company for Directors of the Company at the Annual Meeting to be held in Philadelphia, February 9th, 1904."

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(Meeting February 1, 1904.)

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RAIL PRICE.

Following Mr. Bope's remarks the question of the advisability of reducing the price of rails was discussed, and the opinion seemed to be general that a conference should be held by representatives of the manufacturers with representatives of the leading railroads, to ascertain what price would be satisfactory to the latter, and what tonnage they would agree to place at that price. It was thought that $25.00 per ton f. o. b. mill would be low enough to satisfy the railroads, and that such a price should be made if necessary, even if such a reduction should lead to a cut in structural and plates.

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(Meeting February 15, 1904.)

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MR. BOPE: * * * We have closed with Spang, Chalfant & Company for 20,000 tons of skelp, of which half will be furnished by the Steel & Wire Company and half by ourselves. We obtained a better price than we get for the Arnold or Tube Company skelp, and the Tube Company have no objection to the sale. . .

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(Directors' Meeting May 2, 1904.)

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MR. BOPE: * * * We have closed a ten-years' contract with the Crucible Steel Company for their entire supply of raw materials—consisting of Bessemer billets, such Open Hearth billets as they do not make themselves, Basic and Bessemer Pig Iron, low phosophorus Pig Iron, and Ferro Manganese. The contract is on a sliding scale based on the price of Pig Iron, and will, I think, on the average over the time it has to run, be a very satisfactory deal.

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(Directors' Meeting, June 6, 1904.)

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MR. BOPE: Our outstanding contracts for rails now amount to 26500 tons, including the 19,000 tons for the Harriman lines. In addition to the rails booked during the week, we also closed for 23,600 tons for the Blackwells Island bridge, and 10,000 tons for Pressed Steel Car Company. Orders from the Bridge Company and miscellaneous tonnage bring the total to about 100,000 tons, which makes a rather exceptional week as business is now running. From information I have gathered from our competitors, it is very evident that we are taking considerably more than our share.

A strong feeling against us is apparent in the attitude of the independent users of structural material, on account of the action of the Bridge Company in taking about all the work offering in their line. The McClintic-Marshall Construction Company are now buying steel of the eastern mills for shipment to Rankin, and they say frankly that this is done because to buy from us would practically mean to play into the hands of a competitor. This same sentiment is steadily becoming more apparent on the part of the other independents; and Mr. King, of Jones & Laughlin, told me a short time ago that they had been approached by some of the larger structural concerns, with a proposition to make an arrangement with them to permit of successful competition with the Bridge Company.

I have done my best to avoid this trouble, but it seems to be developing rapidly, and will undoubtedly lose us considerable tonnage that we have heretofore had.

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(Directors' Meeting, June 27, 1904.)

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MR. BOPE: We have 9,000 tons of rails on outstanding contracts, the principal sale for the week being 6,000 tons to the New York, New Haven & Hartford. A very encouraging feature of the situation is that inquiry for standard rails is

decidedly better, and is of a much more substantial nature than it has been for some time. Some of the projects coming up for a while were not of a kind likely to result in actual business. Light rails are also in very good demand; we have practically "scooped" the market. Prices on the light sections are low, but our costs are low also, and we are simply meeting competition and taking the business.

The Bridge Company had a good week in structural, and that item looks a little better this week.

In other respects the market is in a rather "dumpy" condition.

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We have closed up the Oliver Iron & Steel Company contract on the basis of 11 tons of coke for one ton of billets, the old scale having been increased by 25 cents per ton. This removes the possibility of their going into the manufacture of steel, by taking the coke out of the way, and, while the price of steel is not high at the present Pig Iron rate, the contract will be a good one over a period of years.

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(Directors' Meeting, July 5, 1904.)

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MR. WOODS: I do not know that very much can be added to Mr. Bope's report of last week, there being no radical change in the situation.

We have about 10,000 tons of rails outstanding on contracts that have been closed, and inquiry in this item is fair, although rather spasmodic. The principal sale for the week was 5,000 tons for the Seaboard Airline.

In structural and plates everything is very quiet, and buying is for immediate requirements only. Competition continues very severe in all lines, more so than we have ever known it to be.

In light rails I believe we have been booking practically everything offering in the market, and to some extent our competition appears to be affecting the independents, as evi-

denced by the closing down of the mill at Cuyahoga Falls during the week, with very little prospect of starting up again.

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(Directors' Meeting, July 11, 1904.)

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MR. BOPE: * * * We may say, as to the general market, that sales and orders for the week indicate a slight falling off, but this is just what we expected for this month and the next. The very general feeling seems to be that this summer will be very quiet, but the most optimistic feeling with regard to the future seems to exist in the minds of the steel manufacturers. I met representatives of practically all the large companies last week, and it seemed to be the universal impression that if the manufacturers could pull through the next sixty days without changing prices or upsetting the market, business would then show a decided improvement. There is, of course, nothing tangible to account for this, except that crops are showing up nicely, stocks are rapidly being depleted, money is plentiful and prices are about as low in some lines as they have ever been; and the only possible movement would seem to be an upward one.

We are, undoubtedly, booking the bulk of the tonnage that is going in the market, there being various evidences of this fact; for instance, both Jones & Laughlin and Cambria have found that they are not getting their share of business in the Cleveland district, and Jones & Laughlin intend to reorganize their entire force in that territory.

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(Directors' Meeting, August 1, 1904.)

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MR. BOPE: Outstanding rail contracts aggregate 18,000 tons, 9,000 tons having been sold toward the later part of the week.

After a three days' session with the Railway Steel Spring Company, we closed with them for 75% of their requirements. The contract is nominally for one year, but it is understood to cover their requirements for a number of years. The sale will net us a profit of anywhere from $5.00 to $8.00 per ton this year, with a sliding scale arrangement that will mean a larger profit on higher prices.

We have also closed with the Continuous Rail Joint Company for their billets for a term of years, in connection with a contract Illinois has with them for the manufacture of their rail joints.

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(Directors' Meeting, January 9, 1905.)

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ANNUAL MEETING OF AMERICAN CASTING MACHINE COMPANY.

The following resolution was offered by Mr. Blackburn, seconded by Mr. McCausland, and carried by unanimous vote:

"RESOLVED, That proxy of this Company be given to E. W. Heyl or Kenneth K. McLaren to vote the number of shares of Stock of the American Casting Machine Company owned by this Company, at the Annual Meeting of Stockholders of the American Casting Machine Company, to be held at Jersey City, N. J., on January 14th, 1905."

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(Directors' Meeting, February 13, 1905.)

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RESOLVED, That the proxy of this Company be given to D. G. Kerr, to vote the number of shares of stock of the Mahoning Ore & Steel Company owned by this Company, at the Annual Meeting of the stockholders of Mahoning Ore and Steel Company, to be held February 14th, 1905.

(Directors' Meeting, July 3, 1905.)

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ANNUAL MEETING OF THE WINTHROP IRON COMPANY.

On motion by Mr. Blackburn, seconded by Mr. Bope, it was duly and unanimously

RESOLVED, That the proxy of this Company be given to T. F. Cole and C. D. Fraser, or either of them, to vote the number of shares of stock of The Winthrop Iron Company owned by this Company, at the Annual Meeting of the Stockholders of The Winthrop Iron Company, to be held on July 29th, 1905.

OPEN HEARTH FURNACES FOR HOMESTEAD.

MR. HUNT: I might report that the study for new open hearth furnaces, to take the place of the Bessemer at Homestead, has been submitted to the President in detail.

MR. DINKEY: Mr. Hunt has planned 12 furnaces on the ground where the Bessemer now stands, and, while it would crowd things a little, it looks pretty well. It seems to me that the Bessemer should be abandoned and the open hearth put in in its place.

MR. BOPE: I sounded the commercial men at our meeting last week, and they feel as I do, that for all practical purposes the day of the Bessemer is over. The demand is constantly in the direction of open hearth, and we cannot get orders to run the Bessemer plants. The only heavy tonnage line left for Bessemer steel is rails: structural work for bridges and railroad equipment, plates, axles, wire products, etc., are now almost entirely required in open hearth steel.

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(Meeting August 7, 1905.)

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MR. BOPE: * * * In sheet bars we are the only company manufacturing except the N. & G. Taylor Company. If the Sheet Steel Company comes in for anything like normal requirements, and with Ohio on rails, we shall have all we can do to meet the demand.

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(Meeting August 28, 1905.)

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NEW OPEN HEARTH FURNACES FOR HOMESTEAD.

Mr. HUNT: There is a condition at Homestead that should be corrected. This month we will be behind something like 33,000 tons of finished material which we could have rolled had we a sufficient supply of steel. The Bessemer is limping along with very few orders, and it seems impossible to find sufficient business in Bessemer steel to keep it going. Under these conditions, our mills, and especially the plate mills, are not doing the work they should; and with a possible increase in capacity by improvements to one or two mills, it would be a great deal worse.

I don't believe the Corporation could spend money to any better advantage than by building more Open Hearth furnaces at Homestead. Twelve new furnaces would about balance things up; but, with an increase in the finishing capacity, I think we should have more.

Mr. CLEMSON: How long would it take to build the furnaces?

Mr. HUNT: I believe we could make steel in four months' time or less, and the furnaces would cost somewhere about $60,000.00 to $80,000.00 each. I should like to ask Mr. Bope whether he thinks the time is ripe to do away with the Bessemer plant?

Mr. BOPE: I believe it is. The tendency is steadily in the direction of O. H. steel, and we are not able now to supply the

Homestead Bessemer with a full schedule. The use of Bessemer is now practically confined to rails, wire nails and standard bars; and even in bars, wherever we supply steel to replace iron bars, we have to use soft, non-Bessemer steel. Some tonnage goes into tank work, but there is not a great deal of this. The Steel & Wire Company would prefer O. H. if they did not have their own Bessemer production; and when they get their Donora Mill fairly in operation, they will draw on our O. H. output at that plant. Taking the trade as a whole, I do not see where there is going to be any considerable demand for Bessemer in the future. At any rate we have considerable Bessemer production at other points.

Mr. HUNT: I do not believe it would be best to put O. H. furnaces on the site of the present Bessemer plant, although we would have room for twelve. A good place would be on the baseball park or at Howard.

General discussion followed, in which all present strongly endorsed Mr. Hunt's suggestion as to the addition of O. H. capacity at Homestead. The Chairman suggested that Mr. Hunt lay the matter before the President on his return, advising him that the proposition has the unanimous approval of the Board.

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(Meeting September 4, 1905.)

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MR. BOPE: In addition to the standard rails reported, we have 94,000 tons outstanding on contracts which does not include some sales on which we have not yet received the papers, such as the Grand Trunk contract. Including all such sales, we have over 100,000 tons outstanding, which makes our obligations in all lines as of September 1st, fully 3½ million tons —the highest total we have ever had on our books. It is estimated that 300,000 tons of standard rails have been sold for next year's delivery by all the mills.

Mr. DINKEY: I might say, in that connection, that our mills are turning out rails at the rate of 100,000 tons per month.

MR. BOPE: The principal item of interest during the week was the advance of $2.00 per ton in structural. The extraordinary thing about it is that we caught the trade "napping," as they had not been figuring very far ahead, and our outstandings at the 1.60c. price will, therefore, be comparatively small. There are a few people that we will have to look after, but in general we will begin to realize immediately on the higher price,—in fact we have already booked some business on the 1.70c. basis. I believe the advance will have a good effect on other lines.

Plate and bar tonnage is not needed to any extent, but is still coming in nicely. We are going to make an active campaign on hoops, starting immediately, as our contracts are practically out and we must book a large tonnage during the next few weeks.

The whole situation seems to me stronger than ever. Our purchase of pig iron has stiffened the market on that item and scrap is scarce and high in price. The re-rollers are trying hard to buy old rails but without much success, and some users of iron bars, such as the American Car & Foundary (sic) Company, have come in for steel, indicating that at the present price of scrap, iron cannot be sold at the steel bar price.

PRODUCTION FOR AUGUST.

MR. DINKEY: I am glad to be able to report to the Board a very good August. Our theoretical capacity on ingots, as set up at the first of the year, is 652,000 tons per month with everything running, and during August we made 650,000 tons with Columbus down. Our theoretical production of pig iron is 583,000 tons, and we made 526,000 tons with five blast furnaces out and New Castle not running strong. For the eight months we have made 4,170,000 tons of pig iron as against 2,800,000 tons during the same period last year and 4,700,000 tons of ingots as against 3,500,000 tons. We are going at a rate to make about one and three-quarter million tons' increase in each item for the year.

We have some very excellent individual records also, Edgar Thomson breaking her best previous blast furnace record, producing 134,000 tons for the month, which is wonderful,

considering the time of year. At New Castle we had two individual furnace records, and the big beam mill at Homestead also made a new record. The Clairton 18″ Mill, which has just started, made 2,200 tons, which is and (sic) excellent showing considering all the new features in connection with the mill. I expect her to make 3,500 tons this month. Donora makes an excellent record, 36,000 tons in the Open Hearth Department, as against a theoretical capacity of about 32,000 tons. The South Sharon Plate Mill made 84,000 tons, and North Sharon gave us splendid service, producing 11,000 tons of angles; the McCutcheon Mill also established a new record. Our "strike" mills made about 11,000 tons, whereas their best record, made this year is 12,000 tons.

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(Meeting September 18, 1905.)

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MR. BOPE: * * * We are badly overcrowded on billets and while the demand may force buyers to take Bessemer steel to some extent, it will not be sufficient to afford us any great relief. There are really only two lines in which Bessemer can be used to-day to any great advantage and they are wire and pipe. Everything else has gone over to O. H. * * *

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(Meeting October 2, 1905.)

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MR. BOPE: We have outstanding 128,000 tons on contracts for standard rails. I was in Chicago last week and went over the situation with the Illinois people, and find that they are filled up on standard rails for all of next year,—in fact they have taken business that over-sells them for next year,—and there is no question that of the tonnage they have actually booked, considerable will have to be transferred to us, in addition to tonnage to be placed later. It begins to look now as

if we would have to roll rails at Ohio all of next year. This would enable us to run Columbus on sheet bars and billets.

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(Meeting October 30, 1905.)

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Mr. BOPE: We have 122,000 tons of rails outstanding on contracts, in addition to those included in the report.

On the general situation there is not much new to be said. It is just as strong as it has been at any time. The only item of interest is that we closed with the Standard Steel Car Company during the week for all their requirements for ten years. It might seem that we could have been reasonably sure of their tonnage from year to year; but with our enormous capacity and the contemplated additions to it, it seems to me the thing to do is to get as much "back-log" tonnage as possible. In going over our books, it is apparent that we have obtained the cream of the tonnage placed in the country during the past year, in heavy axles, plates, shapes and bars. We have picked our business, taking only the most desirable, and, even if we did not always get the highest prices, our "back-log" tonnage, and the ability to turn out an enormous production, have been better than to get top prices by taking more undesirable work. With the exception of the American Car & Foundry Company, we have the best buyers tied up, and even in bad times we should be able to run our works fairly full.

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PRODUCTION FOR OCTOBER.

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Mr. DINKEY: We are finishing the most remarkable month the Company has ever had in the way of tonnage production. Our theoretical capacity on pig iron, figured on almost record running by everybody, is 575,000 tons per month, and for October we are going to show 584,000 tons. Our theoretical capacity on ingots on the same basis is 664,000 tons, and we will make 725,000 in October. Plates will run about 85,000

tons, and rails 108,000 tons,—81,000 tons at Edgar Thomson and 27,000 tons at Ohio. The best previous run on rails at Edgar Thomson was 70,000 tons.

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(Meeting November 13, 1905.)

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Mr. BOPE: We have 153,000 tons of rails outstanding on contracts, and this morning we closed for an additional 25,000 tons with the Harriman Lines, so that, including light rails, we have pretty well up to 500,000 tons on the books.

Prospects for the Ohio Mill are getting better right along.

I did think, for a few days, that things were getting a little softer, for the reason that so many people are covered by contract, and I looked for a considerable falling off in contract obligations. This has not materialized, however, and with the new projects that are ahead of us, I do not see any end to the present satisfactory conditions, at least for next year, except the possibility of tight money or too high prices. There is an enormous amount of work projected for next year, and I don't really know where people are going to get the material. There is a new Car Company starting up at Columbus, called the Ralston Steel Car Company, who are in the market for 1500 cars for the Hocking Valley. We were discussing the proposition this morning, and it is a question to my mind whether we should take on the business. The Summers dump car people are figuring on putting up a plant, so that what Judge Reed said at the last meeting about present conditions producing new car factories, seems to be true.

As a matter of policy, Mr. Corey has told the American Car & Foundry Company that we do not care for their eastern business. Their western trade is ours legitimately, but the eastern business we are satisfied to give to Lackawanna and Jones & Laughlins. I think this is a wise move, as we have the Pressed and Standard Companies tied up for their entire requirements. To take all this tonnage from our large competitors would simply mean that they would encourage new car works, and I do not think it would be wise for us to take a stand that would bring this about.

In every direction the demand for material seems to be on the increase, and where our reports show losses, these are very slight, notwithstanding our tremendous output. The American Shipbuilding Company has just taken two or three more boats; there are a great many cars in the market, and, altogether, the situation is stronger than I have ever seen it, with prices of raw material going up.

REQUESTS FOR APPROPRIATIONS.

Mr. DINKEY: I should like to give the Board an idea of what we are asking for in the shape of additions to plants for next year, in response to Mr. Corey's request that we set up everything we should have for 1906. We have asked for the following items:

OHIO WORKS:	
New Blooming Mill and accessories.....	$468,000.00
DUQUESNE STEEL WORKS:	
Two Blast Furnaces and some changes to Billet Mill, and remodelling of Finishing Mills	$4,354,000.00
EDGAR THOMSON STEEL WORKS:	
Changes on the Converting and Rail Mills, and some additional blowing engines and ore-handling machinery.....	$2,200,000.00
BELLAIRE STEEL WORKS:	
An additional Soaking Pit.....	$18,000.00
NEW CASTLE STEEL WORKS:	
Soaking Pit	$45,600.00
HOMESTEAD STEEL WORKS:	
Remodelling Two of the Structural Mills; Ten new Open Hearth Furnaces; Two new Blast Furnaces.....	$6,640,000.00
CLAIRTON STEEL WORKS:	
Steam line from Blast Furnaces to the Condensors	$52,000.00

ISABELLA FURNACES:

There is an old furnace out there that has not been in use since the Corporation took the plant; in fact, it is practically an abandoned furnace site. We have asked for $230,000.00
to put that in shape.

We have also asked for..... $26,000.00
to purchase an interest in a Limestone Company that Mr. Kerr has been working on.

The total is.....$14,000,000.00

To give you an idea of what our conditions will be after getting these improvements, I have made up an estimate of our consumption and production of raw materials for 1906, including this new capacity and based on running all the mills full, (which is the only way to estimate it), we will still be short 490,000 tons of pig iron for the year. It has always been the opinion of this Board, (and I think of every one connected with the Corporation), that Carnegie Steel Company should be a buyer of pig iron so as to assist in controlling the price.

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(Meeting January 23, 1906.)

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Mr. BOPE: The loss last week is the first one shown in a long time, and I am glad to see it; I would like to see still heavier losses for a little while. We had tremendous shipments last week, getting out over 64,000 tons of finished material alone. This week we expect to ship about 18,000 tons of structural material alone, and about 20,000 tons of plates. In looking over our statement I find, based upon what our regular customers are likely to take, we are practically sold up for the year on axles and plates, while we are oversold for the year on structural. Assuming that the Bridge Company will not take out this year all they have contracted for, we

will then have a small surplus. Of course, that does not include Illinois. We are conitnually transferring orders to Pencoyd and Illinois to clean up our back business as far as we can.

We have 80,000 tons of rails outstanding on contracts in addition to those shown in the report, the principal sales for the week being 10,000 tons each to the Southern Pacific, Pere Marquette and Pennsylvania, who, by the way, have added quite a tonnage to their original order. There is a great deal of rail business in sight. We are filled up now to October for Edgar-Thomson and Lorain, and to July for Ohio if it is put on rails, April 1st; in fact, we are oversold for the first four months of the year. If the demand for sheet bars and billets continues, we will have to stand off the rail people until we can catch up.

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(Directors' Meeting, March 19, 1906.)

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Mr. Bope: * * * In connection with the rail situation, I might say there was a time when there was a great deal of agitation among the railroads about low phosphorus rails. Now the same agitation is coming up in the direction of open hearth rails, but I do not believe it will go so far that the railroads will not buy any more Bessemer rails as has been stated in the papers. We have such advice as this, for instance. The General Superintendent of the Pittsburg & Lake Erie told us the other day that after testing Open Hearth rails furnished them by the Tennessee Coal & Iron Company and our Bessemer rails, they have decided that Open Hearth are twice as good as Bessemer rails. He wanted to know when we would be able to make Open Hearth rails, and said they would be willing to pay a little more for Open Hearth than for Bessemer. The same thing has come to us from two or three other people, indicating that the railroads are paying a little attention to the matter. At the time when they were buying rails we could not make Open Hearth, and, of course, they took Bessemer, and they will not be able to get Open

Hearth anywhere in this country for the next year and a half; but I imagine that when the demand for rails falls off, which will probably be in 1907 on account of the heavy purchases made last year and this, then we will be up against the Open Hearth proposition good and hard.

On the other hand, in order to provide tonnage for our big mills, which we have always found it difficult to fill in dull seasons, we are pushing such sections as the tie and pile. The Steel Piling people are in better shape financially to-day than ever before and are arranging to increase their business. They are really just beginning to realize on their missionary work. We are rolling something like 750 tons for them this week, all of which has already been sold, and they have quite a lot of business ahead of them. They could take 1,500 tons more right away if we could give them a rolling, but we are not able to do it. We will have to look out for sections of this kind, because I feel that by the beginning of the year we will have greatly increased competition in the structural line, particularly in the east, due to the activity of the Eastern Steel Company and Milliken Bros. coming in the market, and we must have something to fill up our structural mills with the increased output of our 33 and 35″ mills.

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(Directors' Meeting, March 26, 1906.)

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DELIVERY OF RAILS.

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Mr. DINKEY: I would like to refer to the matter of the charge we are making against the Gould Lines for the delivery of their rails when the Union connection with the Wabash is established. The general question of switching charge was discussed with Mr. Corey a few days ago. It was thought that we should undertake on all new business to have all the freight charges added to the mill price to determine the selling price of rails. In many cases this is not done, as for instance, in Penna. Lines West business and similar

situations with respect to many roads in Chicago. I would like to be sure that all future business for the Carnegie Steel Company on rails will show that all freight charges are added to the mill price, and that all railroads are treated alike in this matter.

Mr. BOPE: My understanding is that all rails sold this year have been sold on the basis of $28.00 at our works. Of course, we cannot charge the Pennsylvania, Baltimore & Ohio and Pittsburg & Lake Erie as they go right through our works; but I am satisfied this was understood with regard to all other roads at the time the contracts were up last Fall. This would not, of course, apply to last year's business.

PRODUCTION.

Mr. DINKEY: I might give the Board a hint of what we are going to do in March. On ingots we will produce 779,000 tons against a theoretical capacity of 684,000 tons. We hope to make this year 8,250,000 tons against 7,400,000 tons last year. So far we are 129,000 tons ahead of this gait.

On pig iron we set up a theoretical capacity of 1,800,000 tons for the first quarter, and we will make 1,770,000 tons. We hope the year will show 7,250,000 tons against 6,400,000 tons for last year.

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(Directors' Meeting, July 30, 1906.)

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Mr. BOPE: We have outstanding contracts for 57,000 tons of rails for this year, and 140,000 tons for next year, or a total of 197,000 tons. We now have enough tonnage for eight months solid work on rails for every mill we have. We will, however, have to take Ohio off rails for a short time to help out the sheet bar situation, and I think it has already been arranged to do this for about two weeks. We will simply have to extend our rail obligations that length of time. The rail situation is very strong, and inquiries are still coming in just about as well as ever. Illinois is now nearly filled up for all of next year.

The best indication of strength in the market is the bar situation, and when the bar business is good we can depend upon pretty good conditions in other lines. For some time we have been gaining in bars right along every week at the rate of 15,000 to 20,000 tons, showing a good, steady buying movement. The agricultural people are buying heavily. We have not more than 175,000 tons to sell to fill us up to July 1st next, and that is a very small matter the way orders are now coming in.

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(Directors' Meeting, October 1, 1906.)

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Mr. Bope: * * * There is no change in the structural situation from what I reported last week. The crowded condition of the Bridge Company (they are filled up for practically a year), is partly responsible for our falling off in this line. We have no way of fabricating any more than we are doing to-day for the Fuller Company, and this we are obligated to take care of. * * *

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(Directors' Meeting, October 15, 1906.)

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IMPROVEMENTS.

Mr. Dinkey: I can report to the Board a very successful trip to New York last week. We succeeded in having the Corporation authorize 2 blast furnaces, 18 Open Hearth and a 16" mill for Duquesne, and moving a mill from Monessen to Duquesne, about nine million dollars. They went over very carefully the improvements we have suggested for Ohio, namely 2 blast furnaces, 12 Open Hearth, a blooming mill and 10 bar mills, but have set this proposition aside; it may be taken up again in two or three months. We are very glad to have the Duquesne improvements authorized, as they will help the ore situation which is in very bad shape. We are

getting our full quota of Bessemer ore now, but at considerable expense.

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(Directors' Meeting, October 22, 1906.)

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WAREHOUSE.

Mr. BOPE: I am very glad to report the Corporation has granted us the warehouse, which will be located at Waverly, N. J. Waverly is the first station this side of Newark, and is the Pennsylvania Railroad's distributing point for less than car load shipments. We expect to carry in this warehouse a considerable quantity of material, and in the construction we will provide for any extensions which may be necessary. It is to be for the accommodation of all the Constituent Companies, but will be operated by Carnegie, and we want to store largely structural material, plates, bars, nails and sheet and tin plate. We will start with a small fitting shop in connection with it, and whether we will enlarge will depend upon conditions. * * * We have been able to make a very favorable arrangement with the Pennsylvania Railroad and felt justified in going ahead with it. Our competition in the New York district on structural particularly is going to be greater than ever before. Milliken Bros. are very hard people to compete with; Cambria is in this business now; Bethlehem will be in that market before very long; Pennsylvania and Lackawanna are also in this territory, and Jones & Laughlin have increased their output and are making a very active canvass down there, and altogether the boys in the New York office are having a pretty hard time; but we feel that with this warehouse we are going to hold the position in this line that rightfully belongs to us. The plans for the building have all been drawn and details are now being prepared, and our lawyers are already at work on the property. We will not waste any time when we get started, and I think we will have it ready by the 1st of April.

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(Directors' Meeting, December 10, 1906.)

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IMPROVEMENTS AT OHIO WORKS.

Mr. DINKEY: I am very glad to tell the Board we have secured permission to build two more blast furnaces and twelve Open Hearth at Ohio. The appropriation also covers ten small rolling mills, four of which will be new and six remodelled. The formal figures have not been received yet, but we will likely get them before the week is out.

OPERATIONS.

MR. DINKEY: I might say that next year will probably be one of our best and perhaps our most difficult. The improvements at Duquesne are a tremendous undertaking. At Homestead we are just getting out of the woods, the improvements being well along now, and the work we have there next year will be much easier than during this year. No one but a mill manager can appreciate the difficulty of operating a plant that is about half disorganized by new construction. We will have the same thing at Youngstown next year. Notwithstanding this apparent handicap the mills have done very good work, and we will make about a million tons of ingots more than last year.

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(Directors' Meeting, December 24, 1906.)

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Mr. DINKEY: We lost a nice rail order during the past week. The Harriman Lines passed all the Bessemer mills and gave Bethlehem an order for 22,500 tons of Open Hearth rails, paying a bonus of $1.50 per ton. The contract calls for delivery in August.

MR. CLEMSON: I think the sooner we get into Open Hearth rails the better. They will, of course, cost a little more money, but I have no doubt the railroads will be calling for them right along.

Mr. DINKEY: We are getting into them as fast as we can. We have the Ohio Open Hearth authorized, and this will be 1,200 tons of ingots per day that can go into rails if necessary.

Mr. BOPE: That is just an example of the increasing competition we have in nearly every line, and we shall have to keep on strengthening our organization to keep in touch with customers. In the east particularly it is getting very aggressive, and we do not dare let up for a minute. I have given orders to our agents that the offices of our customers must be visited more frequently than in the past, and that when an order is taken from a customer and put on the books we should not feel satisfied with this, but every reasonable effort should be made to secure more of his material and keep him in line. Of course, we have a big power back of us in our ore reserves and our strong organization, still lots of other little things help to get and keep business, and we have to be watching and working all the time.

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At a meeting of the Board of Directors of the CARNEGIE STEEL COMPANY, held at the General Offices of the Company, Carnegie Building, Pittsburg, Pa., on Monday, June 24th, 1907, there were present: MM. Reed (Chairman), Dinkey, Bope, Singer, Blackburn, Kerr and McCausland; also A. B. Harper (Secretary to the Board). MM. Morrison, Clemson, Corey, Gary and Dickson absent.

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Mr. BOPE: * * *

There are some things in the situation which are going to have an effect upon the raw end. Milliken Bros. have gone into the hands of a receiver and shut down their rolling mill. For the present at least it is the intention to operate only their structural plant, and they are now in the market to buy the tonnage required to fill their contracts, amounting to 45,000 tons, to be placed and taken out within the next six or eight months, besides any additional steel they will need on new contracts the receivers may make. This is tonnage which they had figured upon making themselves but which will now

come into the market. It may not come to us, but in any event it means that much capacity shut down. The Passaic Steel Company have also shut down their rolling mill, possibly for good, and will operate only their structural plant; and one or two of the other eastern concerns are reported as being a little shaky. This is all due to the fact that raw material has gone so high that people who have to buy very heavily are simply down and out; there has not been maintained a relative difference between raw and finished prices to enable them to continue operations at a profit. It is not a condition that anybody is responsible for, simply due to the fact that the supply and demand have been such that finished prices could not go up, and raw material being so scarce, prices were raised on it.

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At a Meeting of the Board of Directors of the Carnegie Steel Company held at the General Offices of the Company, Carnegie Building, Pittsburg, Pa., on Monday, January 20th, 1908, there were present: MM. Reed, Bope, Singer, Morrison, Clemson, Kerr, McCausland and Blackburn; also A. R. Hunt and T. F. Kinsel (Secretary Pro. Tem.). MM. Corey, Gary, Dickson and Dinkey absent.

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Mr. Bope: * * *

The Steel & Wire Company, last week, met the issue squarely by deciding to reaffirm prices, and in view of the conditions in the wire industry, I believe they will be able to carry that policy through.

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As to prices, the men in the selling end of the business are almost unanimously of the opinion that there ought to be a reduction, but at the same time they are willing to carry out the policy of the Corporation to maintain prices. We have never tried co-operation upon such a large scale as is being done in this depression, and I do not know what its effect will be. We may be able to force it through, as that is just what it means, but whether it is the proper policy for the Corpora-

tion to force the issue against all economic conditions is something to think about.

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At a Meeting of the Board of Directors of the Carnegie Steel Company held at the General Offices of the Company, Carnegie Building, Pittsburg, Pa., on Monday, January 27th, 1908, there were present: MM. Reed (Chairman), Dinkey, Bope, Singer, Morrison, Clemson, Kerr and McCausland; also, A. R. Hunt, Jas. J. Campbell and A. B. Harper (Secretary to the Board). Absent MM. Blackburn, Corey, Gary and Dickson.

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Mr. Bope: * * *

The situation, therefore, still continues a little mixed; it is pretty hard to size it up. I believe now we can hold prices all right and get enough business to run 40 to 50% of our facilities for the next two months, but after that, with no car buying or ship building, I do not see exactly how we are going to run our plate and structural mills.

On the other hand, it looks to me as though there is going to be considerable business from municipalities in the way of improvements of various kinds. There again we are up against peculiar conditions. For instance, there is a pipe line projected for the City of Syracuse requiring in the neighborhood of 28,000 to 30,000 tons, but it is absolutely impossible to get that on the basis of 1.70c. base Pittsburg for the plates when the cast iron people can buy their pig iron around $15 or $16, and that is where our competition will be. I will have some figures this week showing what the differential will be and what price it will be necessary to make on plates, if it is thought advisable to have special legislation in cases of this kind.

These are the elements we are up against in the market—very low prices on the base materials, such as pig iron and scrap, and when they can be put into such things as cast iron pipe we cannot get $34 for plates in competition.

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Mr. Kerr: What percentage of the Corporations' business comes from the railroads?

Mr. Bope: It is figured that 60% at least of the steel business of the country goes into railroad building and its allied lines, like cars, bridges, wheels, etc., and I suppose that is about the Corporations' percentage.

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Mr. Bope: What is to be done with regard to ore? If there is a reduction in the price I have no doubt we will have to cut all along the line.

Mr. Dinkey: Three weeks ago everybody seemed to be of the opinion there would have to be a reduction, but as we get further along it looks as if it will not be done. It would not surprise me at all to see it made the same as last year.

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At a Meeting of the Board of Directors of the Carnegie Steel Company, held at the General Offices of the Company, Carnegie Building, Pittsburg, Pa., on Monday, February 10th, 1908, there were present: MM. Reed (Chairman), Dinkey, Bope, Singer, Blackburn, Morrison, Clemson, Kerr and McCausland; also, A. R. Hunt and A. B. Harper (Secretary to the Board). MM. Corey, Gary and Dickson absent.

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Mr. Bope: * * *

The efforts to hold the market continued last week, the ore and pig iron people reaffirming prices, and the bar iron people advanced their price practically $3 per ton, making the base 1.50c. Pittsburg, for both east and west. That is due to two or three causes, one to the advance in the price of scrap, another to the fact that they were not really getting as much business at the low price as they had been at the higher figure, and furthermore to their willingness to co-operate with the steel people in an endeavor to hold this market over the depression.

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Mr. Dinkey: What are our bookings this year as compared with the corresponding period of 1907?

Mr. Bope: They include raw material and have to be adjusted so much that it is difficult to make a comparison. The records show, however, that the average to date is 72,000 as

against 209,000 tons per week last year in the same period, or only about 30% as much.

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At a Meeting of the Board of Directors of the Carnegie Steel Company held at the General Offices of the Company, Carnegie Building, Pittsburg, Pa., on Monday, April 20th, 1908, there were present: MM. Reed (Chairman), Dinkey, Bope, Singer, Morrison, Clemson, Kerr and McCausland; also, A. R. Hunt, Jas. J. Campbell and A. B. Harper (Secretary to the Board). MM. Blackburn, Corey, Gary and Dickson, absent.

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Mr. Bope: * * *

On the other hand, one concern that has been reported as co-operating with us in the price policy has been persistently and consistently doing the other thing—taking business at any kind of prices they could get. This has had its effect upon some other concerns, with the result that in the bar end of our business we are meeting competition to-day that is just knocking everything in the head. Our bookings of bars last week were only 4,800 tons, or 800 tons per day, which is a ridiculously low figure for us. When it is considered that the Inland Steel Company has sold shapes in Chicago on the basis of 1.60c. as against our price of 1.88c., a cut of $5.60 per ton; that they have sold the St. Louis Expanded Metal Company their deformed bars on the basis of 1.40c., or $4 per ton below our price, and the re-rollers are selling at 1.20c., or $8 per ton below us, it can be seen what the competition is that we are up against, and when there is not much tonnage going it makes an awful hole in what we are getting. I think the bar situation is the weakest feature of the whole price policy. At the same time none of the larger manufacturers can see where anything would be gained by cutting the prices. To attempt to meet this form of competition would simply demoralize everything, and to single out any particular interest would not be good policy; we must take care of them all. I do not know just how this will eventually end. There is a little feeling growing on the part of the trade, which is becoming a little more pronounced each week.

that there ought to be one or two things done, either a concession made in prices to stimulate buying (I am simply stating their views), or else the allied steel makers should make a pronouncement of a definite character that there will not be any reduction in prices in a given period, so as to allow business to go ahead. What they want is some definite assurance, which they say they have not been given as yet. If this were done they would be willing to buy, they say, their requirements for that period. But how to make such an announcement without indicating there would not be any reduction subsequent to that time would be a rather difficult thing to figure out. Just how it could be done I do not know. In this connection we have singular advices from Chicago, this morning which might be taken as a straw. The wind mill manufacturers say their business for the first three months of this year was 5% less than for the same period of last year, while in April so far it has been 20% greater than during the same time in 1907, but they are putting out their product based upon rerolled angles, which have been sold at very low prices—1.25 to 1.35c.

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At a Meeting of the Board of Directors of the Carnegie Steel Company held at the General Offices of the Company, Carnegie Building, Pittsburg, Pa., at 12:30 P. M. on Monday, May 4th, 1908, there were present: MM. Reed, Dinkey, Bope, Blackburn, Morrison, Clemson, Kerr and McCausland; also A. R. Hunt and A. B. Harper (Secretary to the Board). MM. Singer, Corey, Gary and Dickson absent.

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Mr. Bope: * * *

It looks to me, even though we did a little more in April than was really anticipated, that business has now gotten into a state of stagnation. There is no buying at present except what people absolutely must have for immediate use, no inquiries for contract work except from a tentative standpoint, and I want to put before the Board the situation just as it is being put up to us every day by the trade: They say there is no use contracting ahead because they know they will not have to pay any higher prices than obtain at present, and

since we are not willing to guarantee present prices it shows that we have not much faith in our ability to hold them for an indefinite period. That unquestionably the policy of the Corporation up to this time has been the right thing to do and has resulted in great good, but they express themselves, and freely, as believing a mistake is being made in trying to continue it now when the market needs a stimulant in the shape of a reduction in prices. They do not ask for any considerable reduction, and say if this is done they feel that if anything like a good buying movement starts up it will not be long until it can be restored. We have combatted this feeling right along, using our best efforts to carry out the policy of the Corporation.

That tonnage is banking up is evident, among other things which I have spoken of, from a report that has come to us, that the Harriman Lines have just pigeonholed an order for 6,000 cars upon the advice of a car manufacturer, who told them that because of the high prices for material no car company could sell cars at the same price for cars made last year; that he felt prices would have to come down, and he would advise them to wait awhile. The car people still maintain they could take some business on the basis of 1.40 or 1.45 material, and are doing everything they can to break steel prices.

In other lines we find considerable buying. The dry-goods people report their business is better, and the agricultural implement people say their business as compared with the corresponding time of last year is only 15% less, and in some places better than that. Certain other lines are very busy, but in our lines orders are falling off. Had it not been for an order for 10,000 tons of skelp steel which came in from the Standard Oil Company last week, our total bookings for the week would have been only about 8,000 tons.

In bars we are meeting very severe competition from both iron and the re-rollers. For instance, we have been holding twisted bars for concrete work at 1.60c, plus an extra for twisting, while the old rail people have been selling them at any price they have been able to get and throwing in the twisting. They are trying to get together now to establish a price of 1.50c Pittsburg including the twisting, but even if

successful in this would still be $4 per ton below us. While nobody claims this is as good material as new steel, at the same time with such a big differential in price people will use it. I do not think, even should a reduction be considered advisable, that we ought to attempt to meet this competition, but there are two elements to consider which would be of benefit: First, to bring the prices a little closer together would cause people to use new steel in preference, and secondly, if anything like a good buying movement would start it would mean a stiffening in old rail and scrap prices, which would compel the other people to raise their price.

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At a Meeting of the Board of Directors of the Carnegie Steel Company held at the General Offices of the Company, Carnegie Building, Pittsburg, Pa., on Monday, May 18th, 1908, there were present: MM. Bope (First Vice President), Singer, Blackburn, Morrison and Clemson; also A. B. Harper (Secreary to the Board). MM. Reed, Dinkey, Kerr, McCausland, Corey, Gary and Dickson absent.

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MR. BOPE: * * *

During the past week I attended the monthly meeting of the local Sales Managers in Cleveland, Pittsburg, St. Louis and Chicago with a view to getting information as to the condition of stocks over the country generally and public sentiment as to the future of prices. Of course one might say what has public sentiment to do with a business they do not know much about, but steel has been the dominant factor in the prosperity of this country for so many years that everybody has been studying it, until they are now just about as familiar with the general conditions as the man actually in it. I found the unanimous report was there are no stocks, neither of raw or finished materials, in the hands of the consumer or jobber today, or indeed in our own warehouses; they are just about as bare as they can be. That people would like to buy to replenish their stocks, but they are not satisfied as to the future of prices and will not do so until there is some definite pronouncement made so they will have an absolutely safe basis on which to go ahead. The general feeling reported by the

salesmen who come in contact with the trade is that the object of maintaining prices having been accomplished there should now be some reduction in steel products. Everything else has come down practically, and they are looking at the matter, not from the standpoint of the individual company or the individual trade, but simply as meeting a condition created by a big commercial depression. They do not figure that the Bridge Company, for instance, could hold up its prices and the rest make a reduction, but they want to see everything put down to a basis on which business can be gone ahead with. With the largest acreage planted this year in the history of the country, and with crops everywhere in excellent condition, people are looking for the biggest yield we have ever had if nothing unforeseen occurs in the way of blighting frosts; but even so, the acreage planted is so wide and varied that no matter what conditions might arise there would not be a failure of all crops. They continue to ship abroad, with the opening of navigation last week a lot of wheat being brought down the Erie Canal for export, and this will help to keep up the balance of trade which has been so largely in our favor all along. Altogether the underlying conditions, with the exception of the question of prices, are as good today as they ever have been, if not better. The agricultural people are anxious to get busy again, some of them having told us they want to start up now but cannot afford to pay our prices. They do not ask for a heavy reduction, nor do they ask or expect that prices would be kept on a low level for any length of time, but they do want a reasonable cut to show a concession to public opinion, with assurance that they would not go below this point, claiming this would create a feeling of confidence in the country which appears to be lacking at the present time.

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At a Meeting of the Board of Directors of the Carnegie Steel Company held at the General Offices of the Company, Carnegie Building, Pittsburg, Pa., on Monday, May 25th, 1908, there were present: MM. Dinkey (President), Bope, Singer, Blackburn, Morrison, Clemson, Kerr and McCausland:

also A. R. Hunt and A. B. Harper (Secretary to the Board). MM. Reed, Corey, Gary and Dickson absent.

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MR. BOPE: We presented our case with regard to a reduction in prices very forcibly last week, and the arguments advanced were admitted to be reasonable, but for reasons which seemed good and sufficient to the committee it was decided to continue the policy of maintaining prices. * * *

While I believe this action will have the effect of helping plates and shapes, the bar situation continues to be badly demoralized. The eastern bar iron people, I am told, have decided to form a tight pool on the basis of percentages, penalties, etc. and appointed a committee for this purpose, and I understood they have received advices that the administration would offer no objection to this being done. The bar iron people, however, have generally not maintained prices, and we have heard the Standard Oil Company bought iron in the past week on the basis of 1.10c. Pittsburg. This seems incredible, but the information came to us direct. The people who sell rerolled material have had a little change of heart, and if they will pull together they can help the situation some. They have put up the price of bars for concrete construction to 1.50c. including the twisting, still their (sic) is a considerable difference, our price being 1.60c. plus the twisting. Very little business in the way of bars that we have quoted on recently has gone on our books, in practically every case we being told that our price was beaten. While it is hard to secure direct evidence, we know almost to a certainty that some of the mills are quoting 1.50c. on bars, and with reduced prices on raw materials they can make a profit on this basis. We also know that some of our friends are waiving extras, and have very good reason to believe that some bars have been sold on the basis of iron and steel furnished, and all these things have tended to create a situation that at times makes the maintenace policy seem a hardship to the salesman. We have practically 800,000 tons of bars on our books at present, and there is very little "dead" tonnage in this, yet we are only getting specifications at the rate of

4,000 to 5,000 tons per week and that is ridiculous. We also have evidence of cut prices on hoops and cotton ties.

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At a Meeting of the Board of Directors of the Carnegie Steel Company held at the General Offices of the Company, Carnegie Building, Pittsburg, Pa., on Monday, June 8th, 1908, there were present: MM. Reed (Chairman), Dinkey, Bope, Singer, Blackburn, Clemson, Kerr and McCausland; also A. R. Hunt and A. B. Harper (Secretary to the Board). MM. Morrison, Corey, Gary and Dickson absent.

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Mr. Bope: Owing to the severe competition in bars on the part of the iron manufacturers who have sold as low as 1.20c. and of the rerollers who have made even lower prices, it was decided at a meeting held last Monday to reduce the price of steel bars to a basis of 1.40c. Pittsburg. This will apply to all agricultural implement and wagon makers for a year from July 1st, but to other people only on what is specified up to October 1st, as it is felt that with the assurance that the price will not go any lower they can afford to stock up at this figure, and I believe we can handle the situation in this way. It has already resulted in considerable buying and there will be a good deal more, the bulk of which I think will be distributed among the mills which are co-operating in the price policy, and this will be a good thing because it will establish a market and go far toward maintaining a stable condition. This action has also resulted in stiffening the price of scrap and old rails, and the rerollers have advanced their price to 1.30c. Pittsburg and the iron manufacturers to 1.40c. Pittsburg. If the mills carry out this specification policy I think before October 1st we are going to be in position to advance the price of bars, and on an advancing market we will make good on everything that has been sold.

In plates and shapes while the manufacturers who are co-operating control 90 to 95% of the capacity to-day, there is some doubt in the minds of a great many people whether we will be able to do much business at present prices, because they say that people will continue to hold off expecting in these lines similar action to that taken in bars. Some

very low prices have been made for fabricated work, particularly by the mills having shops, and it is going to be very difficult to get them back again under the conditions.

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At a Meeting of the Board of Directors of the CARNEGIE STEEL COMPANY held at the General Offices of the Company, Carnegie Building, Pittsburg, Pa., on Monday, June 15th, 1908, there were present: MM. Dinkey (President) Bope, Singer, Blackburn, Clemson, Kerr and McCausland; also A. R. Hunt and A. B. Harper (Secretary to the Board). MM. Reed, Morrison, Corey, Gary and Dickson absent.

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DISPOSAL OF STOCK OF GINNING COMPANIES.

MR. BOPE: Some years ago we acquired stock in eighteen Ginning Companies located in various places in the south, for the purpose of developing and protecting the square bale industry in which cotton ties are used. The round bale process at that time was being introduced, and threatened the mills which were using the square bale system. The operations of the plants in which we are interested have not been profitable as anticipated, and it has now been deemed advisable to dispose of our various holdings, at such times and in such manner as Mr. C. C. Hanson, President of the Atlantic Compress Company, of Atlanta, Georgia, can dispose of same. Already negotiations have been closed for the sale of our interests, and those of a few others, in seven of these companies, which represent a majority of interest. The prices obtained range from 60 to 75% of our original investment, and settlements are to be made on a basis of a small cash payment, and one and two year notes bearing interest at 8% per annum, with the equivalent amount of stock that we surrender for transfer as collateral security.

I would, therefore, offer a resolution that the Treasurer of this Company be and he is hereby instructed to dispose of the foregoing securities, (with the approval of the Finance Committee of the Corporation), at the best prices and

terms that President Hanson, of the Atlantic Compress Company, can obtain.

This resolution was seconded by Mr. Blackburn and adopted by a unanimous vote.

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At a Meeting of the Board of Directors of the Carnegie Steel Company held at the General Offices of the Company, Carnegie Building, Pittsburg, Pa., on Monday, June 22nd, 1908, there were present: MM. Reed (Chairman), Dinkey, Bope, Singer, Clemson, Kerr and McCausland; also A. R. Hunt, Jas. J. Campbell and A. B. Harper (Secretary to the Board). MM. Blackburn, Morrison, Corey, Gary and Dickson absent.

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Mr. Bope: * * *

In bars, owing to some misunderstandings among the mills themselves as to details, etc., we have not felt the full effect of the reduction in price up to this time, but all these matters have now been straightened out satisfactorily and our mail this morning brought in quite a nice lot of contracts. The rerollers I find have been losing money at the prices which have been obtaining recenetly (sic) due to the higher cost for their raw material, and as the railroads are not now turning out any considerable quantity of scrap rails as a consequence of not buying any new ones, these people find themselves in a position where they do not dare make contracts for even six months ahead. They have said that if the base of 1.40c for steel bars is maintained so as to give them a differential, they are willing to increase their price to a base of 1.30c Pittsburg. The rerollers would take a certain amount of business at this differential in the lines where their product is well adapted, such as bedstead angles, wind mill work, etc., but as this would take a very dangerous element out of the market the mills rolling stock from billets could very well afford to maintain this price; in fact, it is going to be maintained. These people have been selling $6 to $8 per ton below the price of steel bars, and if they bring it down to $2 this will make the disparity just about right. The average bar buyer believes we are as low now as we intend to go, and he is ready to buy.

He has been discouraged a little by some of the newspapers reporting sales at 1.35c Chicago, but this is due to the reporter making no distinction between rerolled and new billet stock. If this action is taken by the rerollers, with the other things now straightened out, the bar situation will be in better shape than it has been for some time, and I believe we are going right ahead on a good bar business, as there is a great deal of tonnage to be placed.

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At a Special Meeting of the Board of Directors of the Carnegie Steel Company, (of N. J.) held at the General Offices of the Company, Carnegie Building, Pittsburg, Pa., on Thursday, July 2nd, 1908, at 11:45 A. M., there were present MM. J. H. Reed, A. C. Dinkey, H. P. Bope, W. H. Singer, D. M. Clemson, D. G. Kerr, and W. C. McCausland. Also Jas. J. Campbell, Assistant Secretary. Absent, MM. W. E. Corey, E. H. Gary, W. B. Dickson, W. W. Blackburn, and Thomas Morrison.

The reading of the Minutes of the last Meeting was dispensed with, subject to reading and approval at the next regular Meeting of the Board.

The President reported to the Board that he had entered into an agreement in writing under date of June 30th, 1908, and a supplement thereto executed July 2nd, 1908, with Charles T. Schoen, for the purchase by the Carnegie Steel Company of the entire Capital Stock of said Schoen Steel Wheel Company issued or authorized to be issued upon the terms set forth in the agreement and supplement thereto, (copies of which were presented to the Meeting and are annexed to these Minutes), for the sum of Six Hundred and Fifty Thousand Dollars ($650,000.00) in cash, and Eight Hundred and Forty-Six Thousand Dollars ($846,000.00) par value of the first mortgage five per cent. (5%) gold bonds of the Schoen Steel Wheel Company, covered by mortgage of that Company dated March 1st, 1906, bearing interest from March

1st, 1908, and the further consideration of a guaranty by the Carnegie Steel Company of first mortgage five per cent. gold bonds of the Schoen Steel Wheel Company to the aggregate amount of One Million, Three Hundred and Fifty Thousand Dollars ($1,350,000.00) issued under a mortgage dated March 1st, 1906, by the Schoen Steel Wheel Company to the Girard Trust Company, Trustee.

Upon discussion this agreement, with the supplement thereto, was decided to be in the opinion of the Board of Directors an advantageous one for the Carnegie Steel Company; and upon motion duly made by Mr. Singer, and seconded by Mr. Bope, and by the affirmative vote of all present, it was duly and unanimously

RESOLVED, That the action of the President in making and entering into the agreement in writing, dated June 30th, 1908, and the supplement thereto, dated July 2nd, 1908, between Charles T. Schoen, party of the first part, and Carnegie Steel Company, party of the second part, for the purchase of the entire Capital Stock of the Schoen Steel Wheel Company upon the terms therein stated, for the price of Six Hundred and Fifty Thousand Dollars ($650,000.00) in cash, and Eight Hundred and Forty-Six Thousand Dollars ($846,000.00) par value of the first mortgage five per cent. (5%) gold bonds of the Schoen Steel Wheel Company, covered by Mortgage of that Company dated March 1st, 1906, bearing interest from March 1st, 1908, and the further consideration of the guaranty by the Carnegie Steel Company of an issue of first mortgage five per cent. gold bonds of the Schoen Steel Wheel Company issued and outstanding in the aggregate amount of One Million, Three Hundred and Fifty Thousand Dollars ($1,350,000.00) under mortgage dated March 1st, 1906, be and hereby is in all respects ratified, approved, confirmed and adopted.

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At a Meeting of the Board of Directors of the Carnegie Steel Company held at the General Offices of the Company, Carnegie Building, Pittsburg, Pa., on Monday, February 1st, 1909, there were present: MM. Reed (Chairman) Dinkey, Bope, Singer, Blackburn, Morrison, Clemson, Kerr and Mc-

Causland; also A. R. Hunt and A. B. Harper (Secretary to the Board). MM. Corey, Gary and Dickson absent.

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OPERATIONS.

MR. DINKEY: January was also our best month with respect to operations since October, 1907, the production of pig iron being 401,000 tons and of ingots 450,000 tons. Our theoretical ingot capacity, including the new work just about finished, is about 700,000 tons per month, so that in January we were quite a little above a 50% gait. We are starting February at about the same gait, and while the daily average will be about the same, the total for the month will, of course, be less.

The demand for sheet bars and other stuff that goes with sheet bars is holding very steady, and as we have now cleaned up practically all of the pig iron accumulated over the Christmas Holidays, it looks as if we will have to blow in another furnace right away. This will probably be decided this afternoon, and I think it will be at Ohio.

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At a Meeting of the Board of Directors of the Carnegie Steel Company held at the General Offices of the Company, Carnegie Building, Pittsburg, Pa., on Monday, February 8th, 1909, there were present: MM. Reed (Chairman), Dinkey, Bope, Singer, Blackburn, Morrison, Clemson and McCausland; also A. R. Hunt and A. B. Harper (Secretary to the Board). MM. Kerr, Corey, Gary and Dickson absent.

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MR. BOPE: * * * That we are getting more business today than our competitors I attribute to two or three causes: One, to the fact that we have alliances with large concerns, such as the Bridge Company, Standard Oil Company and the two car companies. Another, that we have a very effective sales organization, which is doing more scientific work in the matter of calling upon customers and canvassing the trade than ever before, and whatever is to be had upon an equal basis we get. These are the two principal causes. There is also

a certain amount of business coming to us on account of reciprocal relations, but this question is becoming more and more to cut the other way. Then there are the questions of service and quality, which often get us tonnage on anything like an equal basis. All these things combined tend to give us a larger share than anybody alse can get, nevertheless the situation is far from satisfactory. There is not that co-operation which existed a year ago. The jobbing proposition is the cause of intense dissatisfaction. Under the arrangement the jobbers, of course, get an allowance on all material taken into stock, and the fact that Ryerson has already and Scully is getting ready to go into the fabricating business with this allowance back of them, which was not given in contemplation of their going into this business, has stirred up the western fabricators, and they are demanding now that these people either stay out of fabricating or they be put upon an equal basis to compete with them. The committee appointed to look into the matter, after studying it very thoroughly reported that the whole situation is rapidly becoming impossible, and that some action should be taken at once, not necessarily along the lines which they recommended, but whatever was thought best by the Corporation. * * *

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At a Meeting of the Board of Directors of the Carnegie Steel Company held at the General Offices of the Company, Carnegie Building, Pittsburg, Pa., on Monday, February 15th, 1909, there were present: MM. Reed (Chairman), Dinkey, Bope, Singer, Blackburn, Morrison, Clemson and McCausland; also A. R. Hunt and A. B. Harper (Secretary to the Board). MM. Kerr, Corey, Gary and Dickson absent.

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MR. BOPE: * * * Mr. Stackhouse also said he has become thoroughly tired of "holding the bag," and that during the week he notified his people to meet competition in plates where they were suffering on account of cut prices to their regular customers, so that Cambria is now in the market at cut prices. We have, however, done nothing at all in this direction, have

turned down good business offered to us below the market, and are just waiting to see what the results are going to be.

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At a Meeting of the Board of Directors of the Carnegie Steel Company held at the General Offices of the Company, Carnegie Building, Pittsburg, Pa., on Monday, February 22nd, 1909, there were present: MM. Reed (Chairman), Dinkey, Bope, Singer, Blackburn, Clemson, Kerr and McCausland; also A. B. Harper (Secretary to the Board). MM. Morrison, Corey, Gary and Dickson absent.

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Mr. Bope: As a matter of record, it is in order to say that during the week the Corporation decided to cut loose entirely from the policy of co-operation, and prices to-day on all products excepting standard rails are absolutely open.

The first effect of this was to eliminate the jobbers to whom we have been giving a concession in price; it enables us to say to these people that by the action taken their contracts are practically annulled. It throws open the field of salesmanship, and is going to give the Corporation the opportunity, it seems to me, it has always been entitled to, but has never taken, by reason of its size, the distribution of its plants and the value of its organization. It will allow us to play the game as it ought to be played, to give the proper consideration to the concerns which give us the large tonnages, so that they with their large investments may do business on a remunerative basis. The small buyer will, of course, be treated fairly, but he is not entitled to receive the same consideration as the very large buyer. Everybody was stunned at first by the action. While it was generally anticipated that some change in prices would be made, hardly anybody expected that it would be such a complete change. The first thing done by our competitors was to immediately set prices down $6 per ton. They had their prices out last Thursday night, but this did no harm because nobody would buy until they learned what the Corporation was going to do. Even in the two days which have elapsed we have seen the return of some familiar people we have not had for a long time, not because they did not want to buy from us, but sim-

ply because they knew that we had but one price and would not vary from it, while other people were willing to do better. I believe a great many of our old big customers welcome the change, because it will enable them to come back to us again. They have always had from us very liberal treatment, and they know they will get this in the future. We have seen the representatives of the two car companies and they are very happy over the situation. It has eliminated Cambria as a factor on the basis on which they have been taking business recently, and both the Pressed Steel and Standard people have gone out now not only to make money for themselves but for us also. The first order taken by us under the new conditions was that for the shapes for the Government Collier awarded to Cramp, which were being held up, and on anything like an even basis I think all of the big shipbuilding companies will do business with us. I noticed a report in the paper this morning that in the various ship yards located along the Atlantic Coast there is now building twenty-eight bottoms. This is contrary to all the information we have had, but if true it shows there is a little revival in this line, and we propose to look into it at once.

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The Standard Oil pipe line mentioned last week has now practically been settled, and the order will be for about 90,000 tons of Open Hearth plates and will come to us, and we may expect specifications within a very short time.

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At a Meeting of the Board of Directors of the Carnegie Steel Company held at the General Offices of the Company, Carnegie Building, Pittsburg, Pa., on Monday, March 1st, 1909, there were present: MM. Reed (Chairman), Dinkey, Bope, Singer, Blackburn, Morrison, Clemson, Kerr and McCausland; also A. B. Harper (Secretary to the Board). MM. Corey, Gary and Dickson absent.

MR. BOPE: * * *We are also meeting with this singular condition, which is holding up some business: A great many customers seem to have made up their minds that our action

is a bluff, that the co-operative idea is still in existence, and that we have simply fixed prices at 1.20c. for bars and 1.30c. for shapes and plates instead of 1.40 and 1.60c. but I think they will soon have a different idea on that score and that tonnage will begin to come out. * * *

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At a Meeting of the Board of Directors of the Carnegie Steel Company held at the General Offices of the Company, Carnegie Building, Pittsburg, Pa., on Monday, March 8th, 1909, there were present: MM. Reed (Chairman), Dinkey, Bope, Singer, Blackburn, Morrison, Kerr and McCausland; also A. B. Harper (Secretary to the Board). MM. Clemson, Corey, Gary and Dickson absent.

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Mr. Bope: We have just entered the last month of the first quarter and a comparison of the year so far, with two weeks of an open market, with the corresponding period of last year is interesting. Our contract bookings for the past week were in round figures 73,000 tons as against 47,000 tons the previous week, and for the year the average is 78,000 tons as against 56,000 tons last year. The difference is even more marked in specifications passed to entry, the figures being 66,000 tons for the past week as against 73,00 tons the week previous, and an average for the year of 83,000 tons as against 47,000 tons in 1908. Our order mail this morning in the Bar Bureau, which line is a better indicator of market conditions than any other, amounted to something over 6,000 tons, and they are not generally small orders because we have not been looking for less than car load lots. It certainly looks to me as if the "trickling over the dam" of the banked up tonnage has begun.

When in Chicago last week the Illinois people surprised me by stating that their Bay City Mills are running now at about an 85% gait, and they thought that within thirty days they will have this plant filled up away beyond its capacity. Some of this tonnage will, of course, have to come to Pittsburg if their statement is correct, that the bar mills at Gary will not be ready before about the end of the year; we had supposed they would be ready by June 1st. They are feeling

very good over the outlook, and their position, of course, is better now than ever before. With a base price of 1.60c. Pittsburg all the eastern mills could get into Chicago just as well as Illinois, and not only that but they cut the price, but now that Chicago has been made a basing point Illinois has an advantage in that territory over the eastern mills, and naturally a great deal of tonnage will go to them that heretofore has come to the east. They are expecting to get a very large tonnage from concerns which have not bought from them at all in the past. We have also seen some evidences of this ourselves from contracts and specifications in the past week, people have come in who have not been on our books for several years, and when the readjustment in buying takes place we will get the benefit of the natural advantages we used to enjoy but have not been able to get in the last two or three years.

The agricultural implement people are being sounded this week as to just what they expect. They are specifying very nicely against their second orders of last year but have not as yet placed anything for next year, but the indications are that when they do their orders are going to be larger than last year. They have sold everything they manufactured last year, and at present prices there will naturally be a tendency to load up to some extent. We are not going to commit ourselves right off, but are going to take about eight of the largest ones and sound them very carefully to find out what they are expecting, and whether we cannot cut down the time of delivery on their contracts so as not to bind ourselves on the total tonnage, which would be the case if we would sell them to July 1st, 1910.

In the matter of prices, while here and there a lower price may be made where there is a difference in freight, we can pretty nearly say absolutely now that 1.15 and 1.25c. will be the minimums of this market.

JUDGE REED: Are the independents getting much business?

MR. BOPE: They do not seem to be. Lackawanna, for instance, is running worse just now than at any time since the panic. Mr. Smith, our Buffalo Agent, reported this morning they have lost several of their good men by reason of a reduction in wages, and that they are in rather a demoralized

condition. We find, too, that some competitors are very erratic. For example, Cambria took an order for 200 to 300 tons of forging blooms from the American Locomotive Works on a basis which would net them only $22.70 at the mill. The Locomotive people wanted 2,000 tons more at the same price, but Cambria told them they would take no more except upon a basis of $25 their mill, plus full freight. They wanted to sound the market on this small lot, and when they learned the situation came right up to the basis of the price we want. It is not desirable tonnage, and at $22.70 there is no money in it for anybody. As a matter of fact, all the independents would like to stick pretty close to the 1.20 and 1.30c prices, although in some cases we have found lower quotations. We have run into a price of 1.30c for plates and shapes delivered to the King Bridge Company, Cleveland, on one specific job, and Mr. Albright, of the Buffalo Bolt Company, who was here on Saturday, told us Lackawanna quoted them 1.20c on bars delivered at their works. When we suggested that he had better close at this price, he said that Lackawanna could not nearly take care of them, could give them neither the finish or delivery required, and he was willing to pay us any price that we wanted. This is just an illustration of how the market is centralizing around us, and I believe that we are going to get the full benefit of our position and our prices.

All signs now seem to indicate that within thirty to sixty days we will have established a good buying market, and I firmly believe this will be the case as people in all lines are figuring upon going ahead. Mr. Wallace can take the three boats mentioned last week, and he has about 11,000 tons ready to place. The Bridge Company has taken 42,000 tons since the market was declared open, and are figuring today on 136,000 tons, of which they expect to secure 100,000 tons. We ourselves are figuring in all directions, and I look for a pretty good volume of business to begin very soon, and I believe we are going to get the benefit of it before other people. Instead of showing an increase in our stock of pig iron last week as expected, we showed a loss of 4500 tons, and while Mr. McKillips explains this was partly due to the constituent companies drawing on us pretty heavily, at the same time any increase in business is going to make big inroads upon our stock, so

that it will probably be but a very short time until a material increase in our production will have to be made.

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At a Meeting of the Board of Directors of the Carnegie Steel Company held at the General Offices of the Company, Carnegie Building, Pittsburg, Pa., on Monday, March 15th, 1909, there were present: MM. Reed (Chairman), Dinkey, Bope, Singer, Blackburn, Morrison, Clemson, Kerr and McCausland; also A. R. Hunt and A. B. Harper (Secretary to the Board). MM. Corey, Gary and Dickson absent.

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Mr. Bope: * * *

Our total order bookings for last week were over 36,000 tons, which we consider a very good showing for practically only the second week of the open market, and this week has started out even better. Nearly everything placed in the past week was taken by us, and the eastern mills are already feeling very keenly the effects of the open market. Worth, according to our advices, has taken off two more furnaces, having in operation today only four out of sixteen, and Lukens has only three running out of sixteen. Bethlehem has already withdrawn from the west because they cannot meet Illinois' prices on account of the freight. The pace has been pretty fast, at the same time we find the situation is beginning to settle down, and, except what the Bridge Company may do in specific cases, I think 1.25c for plates and shapes and 1.15c for bars will be the low points. In fact, I am of the opinion that we will be in shape to raise prices by fall if we want to do it. The first real optimtisic letters from the agents since 1907 came in last week. It seems to me the boys are taking now vastly more interest in the work, are more keen and energetic all along the line, and this is showing in the results. Old customers are coming back to us and new ones are being obtained. The railroads under cover are figuring on quite a lot of cars, the B. & O. for instance considering 10,000, and altogether it looks to me as if we are pretty close to a good general buying movement.

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At a Meeting of the Board of Directors of the Carnegie Steel Company held at the General Offices of the Company, Carnegie Building, Pittsburg, Pa., on Monday, March 22nd, 1909, there were present: MM. Reed (Chairman), Dinkey, Bope, Singer, Morrison, Clemson, Kerr and McCausland; also A. R. Hunt, Jas. J. Campbell and A. B. Harper (Secretary to the Board). MM. Blackburn, Corey, Gary and Dickson absent.

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Mr. Bope: * * *

We received an order this morning from the Norfolk & Western for 3,000 tons of rails, and some very nice foreign inquiries came in, amounting to something like 60,000 tons, the bulk of which I think will come to us. One inquiry is from Argentine Republic for 34,000 tons, and as J. P. Morgan & Company are financing the proposition this tonnage will undoubtedly come to us. Domestic roads are not figuring very strongly on rails just at present, but are paying considerable attention to track requirements in other directions, such as cars and bridge work. Within the past week or ten days quite a large amount of railroad bridge work has developed, something over 50,000 tons.

In general, the business that has been placed has largely come to us. The other mills seem to think that the pace we are setting is a little too fast for them, although here and there we still find pretty sharp competition, as in the case of the 500 cars for the Wabash, which Cambria came very nearly getting; but they were placed this morning with Standard, so that the tonnage will come to us. As near as we can tell something like 20,000 cars are being figured on at present to come out very soon. The railroads are buying generally better now than for some considerable time excepting rails, and in other lines the improvement is becoming quite marked. We closed last week with one of our largest bolt and nut customers for 40,000 tons, their requirements for this year, and the agricultural implement people are being canvassed this week. The first thing which Illinois ran into in starting their campaign was a price on bars of 1.25c. Chicago made by Inland, which would seem to indicate that we have not yet reached

bottom. While we may in some instances have to go somewhat lower than we are to-day, I do not believe it is going to be necessary for us to go as low as this figure. We have closed with the International Harvester Company for a small tonnage on a basis of 1.33c. Chicago for some things which they could not make, and this is a pretty good price for Illinois.

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At a Meeting of the Board of Directors of the Carnegie Steel Company held at the General Offices of the Company, Carnegie Building, Pittsburg, Pa., on Monday, March 29th, 1909, there were present: MM. Reed (Chairman), Dinkey, Bope, Singer, Morrison, Clemson, Kerr and McCausland; also A. R. Hunt, Jas. J. Campbell and A. B. Harper (Secretary to the Board). MM. Blackburn, Corey, Gary and Dickson absent.

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Mr Bope: The number of orders we are getting now is larger, I think, than we have ever received, running 400 to 500 per day, and, of course, involve just as much work as if they called for ten times the tonnage, and they are very widely scattered, which shows that the entire country is beginning to buy. In fact, we have hardly an office that is not asking for additional help to take care of the large number of orders now being placed, which is compelling the boys to work from early in the morning until very late at night. In bars, for instance, we had booked up to Saturday night something over 67,000 tons for the month, which is the largest month since January, 1908, when we got in a lot of back tonnages, and as we have three days yet to go, with very large order mails starting this week, the indications are that March is going to show the largest bookings of bars of any month since the panic. I have always felt that bars are a better indicator of the general situation than any other item because they go into so many different things, and the orders, coming as they are from all over the country and from all sorts of trade, would indicate, first, that everybody is beginning to buy, and, second, that nobody has any stock at all, because they want shipment made as quickly as the tonnage is placed on the books. The real reason for the loss in pig iron, how-

ever, is that we are being called upon for more sheet bars. The Sheet & Tin Plate Company has already begun to specify at the rate of 85,000 tons per month, and their bookings are holding up splendidly. The whole situation goes to bear us out in our claims that after a depression the only way to start buying is by a reduction in prices, and I believe that rails would be stimulated also by a reduction, if it is thought wise to do so. In all other lines, the increased tonnage, so far as we are concerned, is due partly to the reduction in price and partly to the readjustment of customers, for we are getting back quite a number of people who drifted away from us for various reasons. The tremendous spurt on the part of the Bridge Company, both in bridges and buildings, which they claim is by reason of the low prices, is, in my opinion, an indication of what we can all expect.

JUDGE REED: Are the independents taking any more business?

MR. BOPE: No; I do not think they are, although I am advised that both Worth and Lukens have been shipping as much, if not a little more, than before the break in prices, which is probably accounted for by the fact that they had a lot of old contracts which they reduced to meet the situation, and they are making people take these out. Jones & Laughlin are not as busy as they were. Last fall they got a lot of car material from the American Car & Foundry Company, but have run that out and have not taken any of the new business of the Car Company recently. I have said all along that the Corporation would be the first to benefit under the new conditions, and this is proving to be the case, which is due to the fact that we are better equipped for obtaining business than the other people; but as soon as we get in pretty good condition they will begin to fill up also. It is our experience that a flood of small business always precedes a good buying movement, and in my opinion all that is required now to bring out good tonnages from all directions is for buyers to feel satisfied that prices are as low as they are going.

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At a Meeting of the Board of Directors of the CARNEGIE STEEL COMPANY held at the General Offices of the Company, Carnegie Building, Pittsburg, Pa., on Monday, June 28th,

1909, there were present: MM. Reed (Chairman), Dinkey, Bope Singer, Blackburn, Clemson, Kerr and McCausland; also A. B. Harper (Secretary to the Board). MM. Morrison, Corey, Gary and Dickson absent.

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SALE OF GINNING MILL STOCKS.

MR. MCCAUSLAND: We have held for a number of years 675 shares of the stock of 18 small ginning mills in the south, which were acquired upon the recommendation of the Sales Department. We paid for this stock $19,050, but it was charged down some time ago to $8,651.25, and this is the value at which it is now being carried on our books. The par value of the stock of three of the companies is $100 per share and of all the others $25 per share, but Mr. Hanson, of the Atlantic Compress Company, the principal interest in this matter, advises that we cannot get on an average more than thirty to forty cents on the dollar. It is desired now to sell the smaller companies to the larger ones and they have asked us to join in the sale of the securities, and under the circumstances I would recommend that we dispose of them.

MR. BOPE: These are stocks of the companies which favored square bales for cotton and used our cotton ties exclusively, and they were taken with a view to helping them along. When they were acquired we did not expect that we would realize anything on them, and as the purpose for which they were taken has now been accomplished, as evidenced by the fact that shipments of cotton ties this year amount to about 2,500,000 bundles, we may as well sell them. I would offer a resolution, therefore,

That the Treasurer of this Company be and hereby he is authorized, subject to the approval of the Finance Committee of the Corporation, to dispose of all of these stocks at the best price to be obtained.

This resolution was seconded by Mr. Blackburn and carried unanimously.

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At a Meeting of the Board of Directors of the Carnegie Steel Company held at the General Offices of the Company,

Carnegie Building, Pittsburg, Pa., on Monday, August 23rd, 1909, there were present: MM. Reed (Chairman), Dinkey, Bope, Blackburn and Clemson; also A. B. Harper (Secretary to the Board). MM. Singer, Morrison, Kerr, McCausland, Corey, Gary and Dickson absent.

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MR. BOPE: The report today does not show the gain we actually made. The big loss in rails is due to the transfer to Tennessee of the Export order for Argentine Republic. It has been definitely decided now that the order will be filled by Tennessee, so we took it off our books. This reduces our outstanding rail obligations to 27,000 tons. In reality we should show a gain of 40,000 to 50,000 tons, because we booked very heavily of finished material during the week. Business has been coming in at a remarkable rate, and up to last Saturday night our bar bookings for the month were 113,000 net tons, so that I think we will reach 150,000 tons for August.

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At a Meeting of the Board of Directors of the Carnegie Steel Company held at the General Offices of the Company, Carnegie Building, Pittsburg, Pa., on Monday, September 6th, 1909, there were present: MM. Reed (Chairman), Dinkey, Bope, Blackburn and McCausland; also A. R. Hunt and A. B. Harper (Secretary to the Board). MM. Morrison, Clemson, Kerr, Corey, Gary and Dickson absent.

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MR. BOPE: Mr. Filbert has asked that we put in the report the pig iron and scrap due constituent companies, which we have never carried before as an obligation, and this accounts for the big gain shown in obligations to constituent companies. I am glad, however, that it has been put in, because it brings the situation to us more concretely than perhaps anything else. With our production I do not see where we are going to come out, unless we begin to curtail our shipments to the constituent companies or else purchase. We have in blast today 56 out of 59 furnaces, or 94.92% in and 5.08%. The total theoretical capacity of our 59 furnaces is in round figures 706,000 tons per month. The theoretical capacity of the furnaces in blast is 684,000 tons per month, equivalent to 96.92%,

and of those out 21,700 tons, or 3.08%. Under normal conditions it is figured that 6% of our total capacity is always out for relining, and on this basis we would have a production today of only 663,000 tons, whereas we have 684,000 tons, or 103.11%. This percentage will, of course, grow less rather than more.

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We have asked for permission to advance the price of structural and plates to 1.50c and bars to 1.40c, and if this is done then in my opinion we want to go very slow in this respect. There are two or three elements to consider. The moment we get up to a 1.40c basis in bars I imagine it will bring in every little iron mill (sic) the country which can make bars.

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At a Meeting of the Board of Directors of the Carnegie Steel Company held at the General Offices of the Company, Carnegie Building, Pittsburg, Pa., on Monday, September 13th, 1909, there were present: MM. Reed (Chairman), Dinkey, Bope, Blackburn, Clemson and McCausland; also A. R. Hunt and A. B. Harper (Secretary to the Board). MM. Morrison, Kerr, Corey, Gary and Dickson absent.

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Mr. Bope: I would like to summarize a little to show our situation.

First, as to rails: We have tonnage enough on the books now to run us until the first of October at a rate of about 12,500 tons per week, but do not see anything ahead at present for October. While it is true that very heavy rail buying is going on, very little of it is coming to us. Tennessee has booked handsomely and, I am told, are filled up practically to April 1st. In addition to a large export tonnage, they have taken such business as 28,000 tons for the Southern Railway and good sized orders for other roads. Illinois is filled up for all of this year at least. The Harriman lines are figuring on a big tonnage, but it will all go to Illinois and Tennessee. The eastern roads, where we must look for tonnage, have not yet placed any orders for next year, have not even asked for

a place, although we are told the Penna. is figuring on a very large tonnage. We do not, of course, want anything to occur to compel us to shut down Edgar Thomson, because it is by keeping it running that we are able to pick up the small quick delivery orders, a number of which are in the market and of which we have taken quite a few.

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At a Meeting of the Board of Directors of the Carnegie Steel Company held at the General Offices of the Company, Carnegie Building, Pittsburg, Pa., on Monday October 11th, 1909, there were present: MM. Reed (Chairman), Bope, Blackburn, Morrison, Clemson, Kerr, Hunt and McCausland; also Jas. J. Campbell and A. B. Harper (Secretary to the Board). MM. Dinkey, Corey, Gary and Dickson absent.

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Mr. Bope: * * *

There is no let-up whatever in the manner in which orders are coming in. Last month we broke all records in booking 228,000 tons of bars, but in October to date we have booked at the rate of over 10,000 tons per day, which rate if maintained will run over 250,000 tons for the month, or more than twice as much as we can produce. The same thing really applies to all of our other bureaus. * * * With 752,000 tons of orders to roll, backed up by 2,700,000 tons of contracts, we are in excellent shape. * * *

When the panic occurred in 1907 people were not ready to stop; business had not reached its maximum; it was a money panic. There was being consumed November 1st as much as at any time, but it stopped right there. Up to that time the demand had been so great that not a mill, foundry or jobbers' establishment had any stocks to speak of, and after that they would not build them up. The result was that when business started again people had nothing ahead of them, and all the tonnage taken out has been wanted for immediate use; there has been no opportunity as yet to stock up. Our condition is probably best illustrated by the fact that we have in blast today 57 out of 59 furnaces, the one out at Carrie having been blown in during the week.

MR. CAMPBELL: Are the other companies expanding in any way to meet the increased demand?

MR. BOPE: Yes; in various ways and putting in a new mill here and there, but increased competition is not so noticeable in our lines as in some of the others.

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At a Meeting of the Board of Directors of the Carnegie Steel Company held at the General Offices of the Company, Carnegie Building, Pittsburg, Pa., on Monday, November 15th, 1909, there were present: MM. Bope (First Vice President), Blackburn, Clemson, Hunt and McCausland; also Jas. J. Campbell and A. B. Harper (Secretary to the Board). MM. Reed, Dinkey, Morrison, Kerr, Corey, Gary and Dickson absent.

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MR. MCCAUSLAND: Are Jones & Laughlin providing any rail capacity at their Alliquippa plant?

MR. BOPE: I have heard both that they are and are not. I think it would be a foolish thing to do to put in a rail plant as they would be worse off than we are, and if they have studied the situation it is not likely they will do so. Of course if the Ohio is slackwatered this would materially assist them, but even so Tennessee would have the call on most of the southwestern business. Bethlehem seems to be well fixed on rails, but it is the only one of the eastern plants in this shape. Pennsylvania is shut down ostensibly for repairs; but we know it is on account of lack of orders.

In other lines our condition is just the reverse. We have 951,000 tons of business actually on the books to-day, which is a tremendous tonnage, and it is all bona fide. There is not a pound of it that is speculative, and we feel that our contract obligations are as safe as the orders on the books.

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At a Meeting of the Board of Directors of the CARNEGIE COMPANY held * * * May 16th, 1910 * * *.

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MR. BOPE: * * *The ruling that Corporation material must be used for all work ordered by us is, of course, a proper one, but sometimes when there is a great deal of competition, and especially at present when prices are weak, it makes the situation all the harder to handle. I said last week that I had not heard of any lower prices, but this week we have positive evidence of a price of 1.40c. on bars and 1.45c. on plates and shapes having been made here in the Pittsburg District, the latter being made by Jones & Laughlin who have not much work ahead.

JUDGE REED: I have thought for a long time that the policy in this respect was rather a mistaken one, for I believe it is stirring up antagonism against the Corporation. While other people pursue this same policy, it is not carried out to the extent that I believe is done by the Corporation.

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At a Meeting of the Board of Directors of the CARNEGIE STEEL COMPANY * * * September 26th, 1910 * * *.

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MR. BOPE: * * * Prices seem to be pretty well maintained to-day, and it is thought they will be held better from now on. * * *

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At a Meeting of the Board of Directors of the CARNEGIE STEEL COMPANY * * *October 3rd, 1910 * * *.

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MR. BOPE: * * * Mr. Farrell, however, tells us that taking the world as a whole he finds business good, and this is particularly true of Canada. In neutral markets they are getting a very handsome tonnage of all classes of products, and he thinks they will not only be able to keep it up but will get somewhat higher prices. * * *

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At a Meeting of the Board of Directors of the CARNEGIE STEEL COMPANY * * * December 19th, 1910 * * *.

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MR. BOPE: The reaffirmation of prices during the week has been accepted by the trade generally as the proper thing to do at this particular time, but it has not resulted in any increase in demand. We are taking but very few contracts to-day, not because people do not need material but because they are holding off in anticipation of a reduction. We have letters all through the departments from customers showing plainly this is the feeling, and it is one that we are not able to overcome notwithstanding our advices that no change is contemplated. The point has been reached where the trade feels a reduction is necessary to stimulate business, and the belief has become pretty general that it is not going to be possible to hold the situation much longer. The advices we have had from our agents, however, indicate that prices are pretty well maintained to-day. * * *

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(Meeting January 3, 1911.)

MR. BOPE: It might be interesting to the Board to know our shipments for 1910 as compared with 1907, our best previous year.

Of structural shapes we shipped 623,458 tons as against 631,285 tons in 1907. In plates we shipped 948,584 tons as against 1,114,782 tons in 1907. In bars we broke all previous records, shipping 1,345,660 tons as against 1,228,101 tons in 1907, our best previous record. In wheels and forgings, which go into car work, etc.—and this shows the lack of car building during the year—we shipped 95,260 tons as against 172,127 tons in 1907. Last year was our record year on piling, shipments amounting to 15,675 tons. We did not have this product in 1907. Neither did we make wheels in 1907, but we shipped 91,351 tons last year. All these figures are gross tons. The grand total for the year of finished material was 3,119,988 gross tons as against 3,146,295 gross tons in 1907. The figures for unfinished material have not yet been completed.

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MR. BOPE: As to the general situation, what appear to be the best indications are, first, the lack of stocks, and this is particularly noticeable with our bolt and rivet customers, who ordinarily carry quite a good stock but who are now buying from week to week just what they will need. In fact, this is true of nearly everybody at present, because it has been reported that at the meetings to be held in New York next week prices are going to be discussed and they are going to wait to see what action is taken. Our bar bookings for December were only about 55,000 tons, which is about a 50% booking. In structural material and plates we booked 97,000 tons, and in the unfinished end 187,000 tons. This is the rate at which we have been booking for nearly four months. Bars seem to be suffering more than anything else at the present time, due to the fact that they can be obtained from hand to mouth, and, furthermore, that iron bars are so cheap that more or less iron is being consumed today where steel formerly was used. This helps the people who make both iron and steel and are willing to sell iron cheap to carry steel bars along. In talking with one of the Crucible people this morning he said they find the same condition I have reported as regards merchant bars, but they are not, of course, a very large factor. Secondly, the structural building situation looks better today than I have seen it for some time. For instance, the market letter from Portland, received this morning, says there is work projected in and around that City amounting to about 20,000 tons, and that the bulk of it will go to the Bridge Company. I should have mentioned last week that fabricated material is one thing which cannot be imported but will continue to be furnished from the east; but very heavy tonnages of plain material, plates and bars have come in since the new tariff bill was passed. All over the country there seems to be a great deal of work on the architect's boards. We heard last week from a party who keeps in close touch with this situation that in Chicago alone there is about $28,000,000 worth of work on the boards, and it looks as if this year is going to be a building year.

The things weighing the market down seem to be, first, the pig iron stocks, which increased last week due to the

Christmas shutdown. There is over 2,000,000 tons of pig iron in the country today, and this is a very heavy load. Secondly, the arguments in the Standard Oil and Tobacco cases, which will come up this week or next. Third, the rate question. Fourth, there is talk of a reduction in the tariff schedules. All these things are having more or less effect, and people do not know what to do. Some feel there ought to be a reduction in prices, others say they do not want to see this, and still others say they would be considerably effected by having to make a larger reduction on their own products.

We are entering the new year with just about one-half as much tonnage in contracts and obligations as we had at this time last year, and where we had last year something like 1,233,000 tons of actual specifications on the books, we have today only 340,000 tons. This is where the big falling off has been, although we produced last year 80% of our theoretical capacity. It was stock orders for bars that gave us our big tonnage last year, because they are carried in stock more largely than any other class of material, but now there is no ordering for stock. We had over 1,000,000 tons of bar contracts and specifications on our books at this time last year, but have only about 400,000 tons today.

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(Meeting January 9, 1911.)

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MR. BOPE: The first week of the year was not very strong either as regards new business or tonnage placed on the books, although we did not expect very much, but after conferences with our agents who were here during the week the situation generally looks better to me. I confirmed the advices of last week relative to the amount of structural work projected for this year. I do not think it has ever been larger as a whole in the history of the country, and if anything like a considerable proportion of it is gone ahead with it will be one of our record building years. The only one who did not report anything very startling in this respect was

our St. Louis Agent. Moreover, it looks as if the railroads have about reached the end of the string so far as holding off buying is concerned. Their necessities have become very great, and while they are as yet only buying comparatively small lots, it shows that they must buy. An illustration of this is an order for 4,000 tons of rails placed last week at St. Paul by the Great Northern. Mr. McDougall knew nothing about this order when he left home, and the specifications call for immediate rolling and shipment, showing they could not wait any longer. I found all the boys moderately optimistic as to the future, but every one of them made the same report, that the constant statements in the newspapers of meetings to be held to discuss the question of prices have practically stopped buying until it is known what action will be taken.

Prices so far as base is concerned are apparently maintained by everybody to-day, but we have had a good many reports of concessions on extras and terms, the latter especially on structural material. The number of our structural customers has been reduced until to-day it is down to about half a dozen good ones, and it is the intention to make a thorough canvass of this condition.

Taking the situation generally it looks to me as if Wall Street has again begun to anticipate conditions, as it has done so many times in the past. The boys have also confirmed the reports that there are no stocks of steel anywhere in the country. It is felt, therefore, that a buying movement is not far away, and I feel this morning that it is going to begin a little quicker than we have expected it would. We are geting our share of the business placed to-day, and when the demand gets a little stronger will probably take a little more than our share.

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MR. BOPE: Iron bars have been sold as low as 1.20c to 1.25c in both Chicago and St. Louis, but we have not heard of anything better than 1.40c base for steel bars.

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(Meeting January 16, 1911.)

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MR. BOPE: We have rail contracts outstanding to-day amounting to 35,000 tons, being for the Erie, Western Maryland and Buffalo, Rochester & Pittsburg Roads, the Cleveland Frog & Crossing Company and one or two other small lots. The Pennsylvania order ought to be fixed up within a few days. It looks now as if we can run Edgar-Thomson this week and next, and within that period we will certainly pick up some tonnage.

There was rather a surprising gain in bookings last week, the finished and unfinished together amounting to about 90,000 tons, which is about 75% of our capacity. All the bureaus report an increase in orders in January over the same period in December, and now that the question of prices is settled we are looking for a continual improvement. In fact, there seems to be a general feeling that we have just about reached the turn, and this would seem to be confirmed by general conditions and by the fact that it is easier to convince customers that now is the time to buy. While this may not lead to any increase in stocks for the present, it will likely result in a larger demand for actual operations now that inventory time is over and everybody is ready to do business. Of course the decisions pending are having some effect, but there is a surplus of money piling up in the country, the New York bank statement of Saturday being the best in several months, and I think there is less trouble financing the general needs than for many years. All this makes for sound conditions, and I therefore look for a continual increasing demand. This may not be noticed every week, but I think the aggregate will be a satisfactory increase.

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The following Minutes of the Directors of the Tennessee Coal, Iron & Railroad Company (Record, page 553 to page 556), are offered in evidence by the Petitioner under the foregoing Stipulation, dated June 26, 1912 (page 359), for all purposes for which said Minutes are competent and relevant:

Each and all of said Minutes are objected to by Counsel for said Defendants on the ground of incompetency, irrelevancy and immateriality.

The Annual Meeting of the Board of Directors of the Tennessee Coal, Iron and Railroad Company met pursuant to the By-Laws and to call duly issued, at the office of the Company, No. 111 Broadway, New York City, on Tuesday, the 21st day of May, 1907, at eleven o'clock A. M.

There were present:

Mr. John A. Topping
Mr. E. W. Oglebay
Mr. L. C. Hanna
Mr. G. B. Schley
Mr. S. G. Cooper
Mr. J. W. Gates
Mr. A. N. Brady

seven in all, being a quorum of the Board.

On motion, Mr. Schley was elected temporary Chairman.

Mr. Beecher was elected Secretary of the meeting.

The minutes of the Annual Meeting of the Stockholders, held at Tracy City, Tennessee, May 7th, 1907, were read, showing the election of the following Directors:

For three years:—Messrs. L. C. Hanna, E. W. Oglebay and Jno. A. Topping.

For two years:—Messrs. A. N. Brady, S. G. Cooper, F. H. Crockard and Oakleigh Thorne.

For one year:—Messrs. E. J. Berwind, J. W. Gates, G. A. Kessler and G. B. Schley.

On motion, it was

RESOLVED, That the Board do now proceed to the election of officers—for the ensuing year.

The following named gentlemen were thereupon severally, and by unanimous vote, elected to the offices set opposite their names respectively:

Chairman of the Board	John A. Topping
Vice Pres. & Gen. Manager	Frank H. Crockard
Vice Pres. (for special purposes)	L. T. Beecher
Secretary	L. Hoover
Treasurer	L. Hoover
Assistant Secretary	H. Dewart
Assistant Treasurer	T. M. Nesbit

Following his election, Mr. Topping took the chair.

The Chairman presented Condensed Comparative Statement of Earnings—and of all Products, for the four months ending April 30th, 1907, as compared with the same period in 1906. Net Earnings, above all Fixed Charges, Interest and Depreciation, amounted to $611,247.17, a gain of 35% over last year, and Surplus after paying Dividends, Dividend Interest on Common Stock Subscriptions and all Special Charges, amounted to $335,638.61, a gain of 37½%. Production showed the following percentages of increase over last year:

Ingots 4%
Pig Iron 11%
Merchant Steel 18%
Coal 24%
Coke 5%
Iron Ore 12%
Limestone and Dolomite 2%

The Chairman stated that the estimated Pig Iron output was practically sold for 1907. In reply to enquiry he stated that the price for spot iron was from $20 to $21 per ton, Birmingham,—he also stated that he had authorized sales for the first quarter of 1908 at $18.50 and that some iron had been sold for that price and delivery. The entire estimated output of rails was sold for the current year, and approximately 70% of our estimated production for 1908.

The Chairman briefly outlined the progress being made in New Construction, stating that it was expected the New

Steel Plant and Rail Mill would be in operation by November, provided deliveries of material and equipment were made as anticipated. He reported No. 4 Furnace Ensley, to be nearly completed and that it would probably be blown in some time in June.

In order to provide the ore necessary for the operation of this furnace, he stated that Oxmoor Furnace would go out very soon, being in bad condition, both as to lining and equipment, particularly stoves. He stated that development work and extensions in the Ore Mining Dept., were progressing slowly, both at Ishkooda and the Potter property on account of the difficulty experienced in obtaining deliveries of Machinery and Equipment, and that for this reason the new operations on Red Mountain would not become productive until a much later date than had been anticipated. Conditions as regards Labor of all classes were still tense, although common and unskilled labor were somewhat more plentiful—Miners especially Iron Miners, were very scarce indeed.

As a matter of information the Chairman stated that negotiations between himself and Mr. H. M. Atkinson, representing A. B. & A. R. R. interests had resulted in the formulation of an agreement which would be presented to the Board of each Company for ratification, involving Exchange of Coal Lands in the Platt field, solidifying the Mineral holdings of each Company, and that will secure to this Company trackage and traffic rights of value.

The Chairman reported on the subject of a revaluation of the mineral properties of the Company, that the Chartered Accountants had agreed to the proposition that it would be in line with proper procedure to establish a higher valuation in view of the large appreciation which has taken place in value of raw materials during the past few years; the purpose of such revaluation being in the present instance the creation of a surplus only sufficient to cover the depreciation which must inevitably be provided for in carrying out the policy established of rebuilding our Manufacturing Department.

The Record Book of the Executive Committee was submitted to the meeting and after examination by the members of

the Board of Directors who are not members of the Committee, it was, on motion duly made and seconded:—

RESOLVED, That all the acts of the Executive Committee as the same appear in the Record Book, for the period subsequent to the last Annual Meeting of this Board, be and they hereby are confirmed, ratified and approved.

There being no further business, the meeting, on motion adjourned sine die.

The following minutes of the Executive Committee of the United States Steel Corporation, (record page 557 to page 583) are offered in evidence by the petitioner under the foregoing stipulation, page 359, dated June 26, 1912, for all purposes for which said minutes are competent and relevant.

Each and all of said minutes are objected to by Counsel for said Defendants on the ground of incompetency, irrelevancy and immateriality, and upon the further grounds that they are not authenticated or approved by the Executive Committee or the Directors, are not authorized by statute or the by-laws of the Corporation, and are mere memoranda kept by the clerks and not in any way adopted or approved by the Executive Committee or the Board of Directors.

APRIL 9TH, 1901.

PRESENT, MESSRS. E. H. Gary, Chairman,
C. M. Schwab,
D. G. Reid,
William Edenborn,
E. C. Converse,
Percival Roberts.

PRESIDENCY OF CARNEGIE STEEL COMPANY.

The Committee approves the recommendation of the President of this corporation of Mr. W. E. Corey as President of the Carnegie Steel Company and of the Carnegie Company at a salary of $25,000. per annum.

DIRECTORIES OF CONSTITUENT COMPANIES.

It is the opinion of the members of this committee that the President of this company should arrange by consultation, as soon as the same may be practicable, to reduce the Directories of the constituent companies to a comparatively small number and that they be taken from the leading and active men engaged in operations at the constituent plants.

MANAGEMENT OF CONSTITUENT COMPANIES.

The President suggests this company should encourage

the general management and operation of the business of each company as heretofore. * * *

PRICE OF RAILS.

On this question, the President believes it to be good policy to advance the price now and that, in his judgment, it would attract but little attention.

Mr. Roberts thought it might be inexpedient to do so at this early stage of the organization of the company because there might be some talk on the lines that they were being advanced by this great corporation. The Chairman thinks an advance can be very well made now. In this Mr. Converse concurred. Mr. Edenborn believes that the price of rails can be advanced $2.00 and is in favor of doing it now.

The Chairman suggested that if the outsiders insisted upon the advance, this Company would not oppose and the other members of the committee approved of this.

* * * * *

April 20th, 1901.

SHELBY TUBE COMPANY EXPERIMENTS.

The President reports advices from Mr. Miller of the Shelby Tube Company of the entire success of certain experiments instituted at the request of Mr. Schwab with the view of making a tube to compete with the lap-welded tube for pipe. Under the arrangement, Mr. Schwab was to pay $25,000. for the experimental costs for which he would be entitled to all information as to the process.

The discussion then took the direction of the advantage or otherwise of a combination or understanding with the Shelby people. Mr. Converse stated that the Shelby and the National Tube Companies are the only makers of seamless tubing.

The Chairman suggested that inasmuch as we are entitled to this information regarding the new process, the President might say we would like to have it; that we would be glad to carefully consider the purchase of their company,—it being clearly understood in advance that we were committed to no proposition, but for the purpose of knowing whether

he would care to recommend, the President desired very full information as to the company and its business.

It was finally recommended by the committee that the President of this company advise a representative of the National Tube Company, through its President, and one from the Carnegie Company to examine the plant, look the whole matter over and make a report to the President of this company.

STEEL CONTRACT BETWEEN SHELBY TUBE COMPANY AND CARNEGIE CO.

The President stated that the Carnegie Steel Company had a contract with the Shelby Tube Company to supply it with steel; that it was a very favorable one to the Carnegie company inasmuch as the latter could so arrange the price of steel that it would be rather difficult for the Shelby Company to continue in business.

The Chairman expressed the opinion that he would a great deal rather have that company in business under our control than to absorb them.

The Committee instructed the President to take up the matter with Mr. Miller without committing himself.

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APRIL 22ND, 1901.

MATTER OF SETTLEMENT WITH MR. REIS:

Referring to the matter of settlement of contract with Mr. Reis, it was agreed that the President be requested to carry out the settlement as heretofore agreed upon with Mr. Reis, providing Mr. Reis will agree not to engage in our lines of business during the next three years; otherwise to postpone settlement.

April 23, 1901.

Present: Messrs. E. H. Gary, Chairman, C. M. Schwab, William Edenborn, Percival Roberts, E. C. Converse.

. . . . . .

STEEL CAR CONSTRUCTION.

Mr. Roberts asks if this company would favor going into the enterprise of making steel cars. He is not in favor of building a plant until he knew how successful the car was going to be. The President stated that he thinks it would not be advisable for us to go into the steel car building; The Pressed Steel Car Co. is now the best customer the Carnegie people has, and that we could not afford to take the position of a competitor; that that company pays $100,000 a year to the Carnegie Company to keep out of the car business.

It was finally recommended that no action will be taken at present in reference to contracts for building cars.

April 24th, 1901.

PRESENT: MESSRS. E. H. Gary, Chairman,
C. M. Schwab,
Percival Roberts,
William Edenborn,
D. G. Reid,
E. C. Converse.

SHELBY TUBE COMPANY.

The President reported that he had had an interview with Mr. Miller of the Shelby Tube Company and expects to receive from him a statement covering the last six months showing shipments and amount of orders on the books. A similar statement will be furnished to Mr. Schwab by the National Tube Company.

It was suggested that some arrangement could be made with Mr. Miller with the view of maintaining prices and that some prices now could be advanced by both companies.

SALES AGENCIES AND OFFICES IN VARIOUS CITIES FOR CARNEGIE, FEDERAL AND NATIONAL STEEL COMPANIES.

The President stated that these three companies handle the same class of material and it is the purpose to consolidate their sales departments generally. The question is: Should the identity of the three companies be preserved, inasmuch as one agent in a city will act for the three. It was the sense of the committee that the three names should appear on the office doors, distinct letter-heads should be used when business for any one particular company is transacted by the agent, and in general keep the business of each company as before.

April 29th, 1901.

MESABA ORE SUPPLY TO W. L. SNYDER & CO.

The President read a letter from Vice-President Gayley concerning proposed contract to furnish W. L. Snyder & Co. of Pittsburg with 100,000 tons of Mesaba Ore this year. The President thought that $2.85 at lower lake ports would be a proper price and stated this would include the unloading charge of 20 cents per ton; that our profit under such a contract would be merely on the carriage over our railroads and in our vessels and that it costs about $2.80 to land it upon the docks. The Chairman favored selling a limited supply of Mesaba ore where we have short lease-holds and with a permanent contract for carrying at a certain rate; otherwise, not. The President does not believe in restricting it to ore from land on short leases but to give some little leeway because we would always manage our mining so as to avail ourselves of the leases to the best advantage. The chairman does not approve of giving such general authority in this matter. It was finally voted that the President recommend that we only sell to Messrs. Snyder ore of the finer grades mined under short term leases; not to sell any of our best grades; not to make a contract longer than for five years; that the price is to be $2.85 at Lake Erie ports.

The President then asked the opinion of the committee as to the wants of smaller consumers amounting in the

aggregate to about 100,000 tons. It was resolved that the President also pursue the course outlined in the above paragraph.

PURCHASES MADE BY THE STANDARD OIL COMPANY.

There was some discussion as to ways and means to influence the Standard Oil people in the matter of purchasing its supplies from our companies. The President of this company was authorized to take up the question.

April 30th, 1901.

PRESENT: MESSRS. E. H. Gary, Chairman,
C. M. Schwab,
William Edenborn,
Percival Roberts,
E. C. Converse.

SHELBY TUBE COMPANY.

The President reported in a general way the result of an interview had with Mr. Miller of the Shelby Tube Company. Mr. Schwab believes it is not at present feasible to make any division of the business of the National and Shelby Tube Companies.

Upon the question of the acquisition of the property of that company, the President stated that the stock outstanding amounted to eight millions of common and five millions preferred stock. He also gave figures showing the business transacted by the Shelby Company. He is impressed with its earning capacity and believes that under our control it would net about 50%. He rather thinks that the whole property could be purchased for about $3,500,000. Mr. Converse stated that it is the only real live competitor the National Tube Company has and that between the two companies all the patents for seamless tubing manufacture are owned.

The President suggested that if the purchase was made, it might be done by giving stock of the United States Steel

Corporation in exchange for stock of the Shelby Company and he would propose:

1 share preferred stock for two shares preferred Shelby stock,

1 share common stock for five shares common Shelby stock.

Mr. Converse estimated that the properties of the Shelby Tube Company had cost about Four Million dollars and thinks very well of such a purchase if it can be made at price named by the President and effected through exchange of stock.

The Chairman suggested that the President of this company take up the matter again with the Shelby people simply on the basis of an intermediary with the intimation that the President does not know what can be done but will see &c. Mr. Converse stated that if Mr. Schwab can effect such a deal, it is a very good one and that this committee should then recommend it to the Finance Committee.

The President stated that he would have another interview with Mr. Miller on the lines of the above and would report later.

May 2nd, 1901.

COKE FROM OLIVER IN EXCHANGE FOR BILLETS.

The President reported that Oliver would like to have this company take his coke in exchange for our billets. He believes it would be good policy for us to recommend that this be done; it would remove Oliver as a competitor of ours in the selling of coke and we could furnish him with billets in exchange; that some sliding scale could be arranged; and that a long term contract should be made.

It was moved and seconded that the President be authorized to take up this matter on the above lines.

May 6th, 1901.

COMBINATION OF OUTSIDE BRIDGE COMPANIES.

The President stated that a Mr. Conger had a scheme by which it was proposed to combine everything outside of the American Bridge Company into one company. The President believed that such a combination of the different elements would work out well with the American Bridge Company inasmuch as there would then be but one interest to deal with instead of a number with the consequent conflicting interests as to policy &c. The question was not fully discussed and laid over for a future meeting.

May 13th, 1901.

COMBINATION OF OUTSIDE BRIDGE COMPANIES.

Mr. Roberts reported that he also has received a letter from Mr. Conger on the plan previously referred to this committee. Upon the recommendation of Mr. Roberts, it was voted that no answer be made to Mr. Conger. The President inquired if there would be any advantages to the American Bridge Company if the propose (*sic*) consolidation were effected. Mr. Roberts stated as the small concerns are now, they do not amount to much in a competitive way but is afraid they would become factors if consolidated.

May 28th, 1901.

SHARON STEEL CO.

The President reported a proposition from this company looking toward making some working arrangement with reference to the wire business. Mr. Converse does not favor any plan of guaranteeing tonnage on percentage. The President stated that he was a little undecided about the whole thing but if he were obliged to make up his mind now, he might favor some arrangement for a short period. Mr. Edenborn does not approve. The Chairman expressed the opinion that we should go very slowly in making trade alliances with new concerns; that if we do business on compet-

itive lines for a while, we will probably be able to make better arrangements later if desirable. Mr. Converse points out that it would tend to introduce the goods of the company into the market. Upon motion of Mr. Converse, it was voted that the President advise the parties that it is the policy of this company not to look with favor upon any trade alliances at the present time with people not thoroughly established.

June 21st, 1901.

Present: Messrs. E. H. Gary, Chairman,
C. M. Schwab,
D. G. Reid,
E. C. Converse,
William Edenborn,
Charles Steele.

NEGAUNEE MINE, ISHPEMING, MICH.

This mine is located on the Marquette Range and is at present being worked by the American Steel & Wire Company under a lease.

The President presented to the Committee a recommendation from Vice-President Gayley concerning the matter of purchase of the one-third of the fee of this mine for the sum of $500,000. Mr. Gayley recommends the purchase and stated that the one-third interest is held by some heirs who will sell their interest for the above sum. The preliminary negotiations were had with a Mr. Mitchell, one of the heirs. The other two-thirds interest is owned by Messrs. Maas and Lonstorf. Mr. Gayley believes that this ore is just as good in quality as the celebrated Norrie,—finest of Old Range; that it would cost about 85 or 90 cents to mine; that there are five millions of tons in the property; that it is the best piece of property on the Marquette Range he knows of; that the purchase of it would be absolute,—no lease of (sic) contract of any kind; that the other 2/3rds interest would work in harmony.

The Chairman stated that the standard Old Range ore is very scarce and it is something we need; that this ore is

about up to the base as established by the Association and therefore of a very high grade and does not think we should lose the opportunity of buying this ore. The Chairman further stated that in making this statement he is assuming that money is scarce and that we ought not to buy any properties that we can do without at the present time; he does not think, however, that we should let any opportunity go by to obtain what may be considered the very highest grade of iron ores whenever and wherever we can buy them at a reasonable price; that we should in some way furnish money to secure ores of that kind if we are to continue in the ascendency; that we can do so in his judgment, only by continuing to buy and therefore continuing to be the owners of the very best raw products. The Chairman wished it understood that he disliked spending any money for any new properties at the present time and would be opposed to buying plants or anything that cannot be duplicated, but he is in favor of buying properties of the very best that cannot be duplicated, —referring particularly to the raw products.

The Chairman is in favor of recommending to the Finance Committee that this purchase should be made.

In further explanation, the Chairman pointed out that Old Range ores are scarce in comparison with other ores; that while we have a very large quantity of Old Range, yet the quantity is small in comparison with our other ores; that we can use the Old Range ores without other ores, but that the Missaba ores cannot be used without some of the Old Range.

Mr. Gayley stated that we now have about 70% of the known Old Range ores including Bessemer and Non-Bessemer and that of the Bessemer Old Range, we control about 90%.

It was finally moved by Mr. Reid and duly seconded by Mr. Edenborn that this committee recommend to the Finance Committee that the purchase of the interest offered be made for the sum of $500,000. This was carried by the unanimous vote of the Committee.

July 2nd, 1901.
1:30 P. M.

Present: Messrs. E. H. Gary,
C. M. Schwab,
William Edenborn,
Percival Roberts, Jr.,
D. G. Reid,
E. C. Converse.

MANAGEMENT OF BUSINESS OF U. S. STEEL CORPORATION:

Mr. Roberts presented the following resolution in reference to the proposed plan of operation of business of the company as suggested by the President at the previous meeting of the committee:

WHEREAS, among other things, the By-laws of this Corporation provide as follows:

(Article II., Section I.) "The business and the property of the company shall be managed and controlled by the Board of Directors."

And again, (Article III., Section 2.).....During the intervals between the meetings of the Board of Directors, the Executive Committee shall possess, and may exercise, all the powers of the Board of Directors, in the management and direction of the manufacturing, mining and transportation operations of the company, and of all other business and affairs (except in matters hereinafter assigned to the Finance Committee) in such manner as the Executive Committee shall deem best for the interests of the Company, in all cases in which specific directions shall not have been given by the Board of Directors.

During the intervals between the meetings of the Executive Committee, the Chairman thereof shall possess, and may exercise, such of the powers vested in the Executive Committee as from time to time may be conferred upon him by resolution of the Board of Directors, or of the Executive Committee."

And again, (Article IV., Section 2, Powers and duties of the President).....Subject to the Executive Committee, he shall have general charge of the business of the Company, including manufacturing, mining and transportation,

may sign and execute all authorized bonds, contracts or other obligations in the name of the Company, and with the Treasurer or an Assistant Treasurer may sign all certificates of the shares in the capital stock of the Company. He shall do and perform such other duties as from time to time may be assigned to him by the Board of Directors."

AND WHEREAS, the President has stated that in his judgment the business of the Company cannot be successfully conducted by complying with the requirements of the By-laws as above stated, and that therefore it is necessary for him to disregard the same, therefore,

RESOLVED, That it is the sense of this Committee that unless the By-laws be amended by due and regular action as therein provided for the President be and is hereby requested to furnish this Committee with full reports of the operations of the Company, and submit for their information and decision all matters requiring their supervision as set forth in the By-laws, or that a full statement of the differences of opinion now existing between the several members of the Executive Committee upon this subject be submitted to the Board of Directors for such action as they may deem advisable.

In explanation, Mr. Roberts stated that this matter has been troubling him quite a little; that the Board of Directors may have expected different duties from the committee from what we have been performing; that he is not expressing his views as to whether it is best to operate by a committee or directly by a chief executive officer, but he thinks the By-laws, as they now read, mean only one thing, and that if we are going to continue business under the By-laws, we must do it as a committee, and that the question is: shall they be changed.

The President stated he thought so. The President informed the committee that he wanted to continue his own organization and wants every man to feel that there is a head; in other words, he wants to conduct this organization as similar organizations have been conducted in the past.

The Chairman then stated that he had no objection to the passage of this resolution, if it is desired, but he thinks that we should avoid the appearance even of personalities

because it is not a personal question; that we should also avoid getting into a discussion before the Board of Directors that might lead us into trouble; that in this he is only talking in a general way and merely for the suggestion of principles that we all agree upon. He thinks that Mr. Morgan, the responsible head of the financial house that had the responsibility of bringing out this concern, should have the opportunity of being consulted as a member of the Board of Directors or otherwise. The Chairman dislikes to have anything done that will get us into trouble and particularly at this time.

The motion received the second of Mr. Converse and the resolution was approved by vote.

NOVEMBER 18th, 1901.

PRESENT: Messrs. E. H. GARY, Chairman.
CHARLES M. SCHWAB,
WILLIAM EDENBORN,
E. C. CONVERSE,
PERCIVAL ROBERTS, JR.

TROY IRON & STEEL COMPANY.

On the question as to whether or not the ownership of this property would be advantageous to the United States Steel Corporation the President stated that he does not believe it is of any value to us. Mr. Converse said that the Carnegie People can deliver material on the wharf of the Troy Company not only cheaper than it can be made there, but at a good profit.

On motion, duly seconded, it was unanimously voted that the President be requested to decline to entertain the proposition concerning the Troy property.

COMPETITOR IN TUBE BUSINESS.

Mr. Converse reported that he had heard of the probable intention on the part of a prominent steel company to enter into the manufacture of tubular goods, but he was convinced that there was very little likelihood of its going into effect.

JANUARY 21ST, 1902.

Present: Messrs. E. H. Gary, Chairman, Percival Roberts, Jr., William Edenborn, E. C. Converse, James Gayley.

WICKS ORE PROPERTY, CASCADE RANGE.

A letter dated January 14th, 1902, from Mr. Nelson P. Hulst, Vice-President of the Oliver Iron Mining Company, to Mr. James Gayley, First Vice-President, was read. This letter concerned the Wicks Ore Property on the Cascade Range, near Ishpeming, which can be bought for $200,000 on the basis of 25% in cash and the balance in one or two years. Mr. Gayley stated that this is a hard ore proposition; that it is the kind of ore we are more or less short of, and such as we need for furnace mixture; that 80% of our ore reserve is in the Missabe Range, and we must have these low grade ores; that there are 640 acres in the tract, and that we have about 160 acres outside, making it a very big location to begin with; and that he favors the acquisition of this property.

The Chairman stated that he would not be at all surprised if the purchase price could be cut a little and the terms made satisfactory; and that on the facts presented he would be inclined to recommend it.

Mr. Roberts moved that the proposition be recommended to the Finance Committee, and upon motion, duly seconded, it was voted accordingly.

MARCH 4TH, 1902.

Present: Messrs. E. H. Gary, Chairman, C. M. Schwab, George W. Perkins, Charles Steele, Percival Roberts, Jr., E. C. Converse, William Edenborn, D. G. Reid.

PURCHASE OF PLANT OF TROY STEEL COMPANY.

Mr. Schwab also laid before the Committee the question of purchase of the Troy Steel Works, stating he was opposed to buying the property; that it would cost a million and a half dollars to put it in shape to operate, and lacked ore.

Mr. Converse stated he had been through the plant, and that it was his opinion $1,800,000 would have to be spent on it. That Mr. Witherbee had called on him and offered to make a forty year contract for the supply of ore. Judge Gary stated he was also opposed to the purchase.

Proposition refused.

APRIL 17TH, 1902.

Present: Messrs. Charles M. Schwab, George W. Perkins, William Edenborn, D. G. Reid.

AMERICAN CAN COMPANY. GLUCOSE COMPANY.

The President stated that the Glucose Company were large users of tin cans and were thinking of making them themselves; that this would mean a loss of a very large tin plate business to our tin plate company; that the Can Company has received a proposition with reference to prices, and the Can Company would like to enter into some sort of a sliding scale agreement with the American Tin Plate Company for this one order. The President stated that the following proposition was involved: The Can Company agrees to take our auditor's account of the cost of tin plate providing we give them half of the profit we may have above the cost; they also would give us half of the profit they make above the cost. The President is not willing to do this as a general thing but thinks it might be good policy for this one order; and that it is to our interest to tie every customer to the American Can Company that we can. It is provided that if the Can Company makes a loss we do not help to make that up. The President stated that such an arrangement will not get us into any trouble with anyone else, and that he thinks it is a splendid arrangement. It is a five year contract. On motion, duly seconded, it was voted that this be approved.

MAY 6TH, 1902.

Present: Messrs. E. H. Gary, Chairman, C. M. Schwab, D. G. Reid, Charles Steele.

Ore Lands. The President: I think we have been a little too conservative in taking mines; some that we have refused have doubled in value since. I think we ought to buy Mr. Hill's ores.

The Chairman: We certainly have everything on the Vermillion; we bought everything on the Missabe that is good, that is best, and that is first-class, with perhaps one exception which we could not get, and with the exception of beyond Hibbing; we cannot get there. Mr. Hill is in there now. The property which has been bought is low grade ore, and we have of that class of ore certainly 60,000,000 to 70,000,000 not yet opened. We can afford to let our competitors get the low grade ores if we have the better ones.

MAY 20TH, 1902.

Present: Messrs. E. H. GARY, Chairman, C. M. SCHWAB, D. G. REID, CHARLES STEELE.

* * * * *

DULUTH, MISSABE & NORTHERN RAILROAD.

Expenditures for the double tracking and fully equipping 2.7 miles of line between Midway and Albert stations, at a cost of $16,800.00.

THE PRESIDENT stated that this is needed in order to lay up their ore trains, and he believes it to be a judicious and wise expenditure.

On motion, duly seconded, it was voted that it be recommended to the Finance Committee.

TIMBER FOR MINING OPERATIONS IN MINNESOTA.

THE PRESIDENT reported that while in the Northwest he had looked over this matter since the last meeting of the Committee and in view of the fact that it did not seem advisable here to spend money for these things at this time.

he believed the best thing to do was to take that 45,000,000 feet at $5.00 per thousand for the reason that it is nearer our tracks, is available and would not cost much more money than the other lot of timber. The President believes that timber is going to be an important item of cost in mining operations. Mr. Schwab stated that he asked the seller of the tract under consideration, Mr. J. H. Bennett, to wait until he got home.

MR. STEELE: Are you satisfied we are getting it at the bottom price?

THE PRESIDENT: The lumber people are buying at larger prices for the lumber alone. We have seven or eight years' supply now ahead of us.

THE CHAIRMAN: Assuming that it is a low price and a fair price there ought not to be any doubt about it.

MR. STEELE: I think it is a peculiar thing that there is so much hurry about it. I think our people ought not to wait until the last minute on these things; it always impresses me that someone has a rake off.

ORE LAND PURCHASES ON THE RANGES.

THE PRESIDENT: While up there I asked our people to go over the matter of our refusals of ore properties presented on short notice and to see if the man around the corner, so to speak, took them whenever we refused them, and I find in most instances he did. Every ore property we have refused has been taken by others. The question is what ought our policy to be in this regard. Most of our people are working very energetically for a new supply of ore, and the fact that we keep searching and then do not take, puts us in a very awkward light. For example, we are showing our interest by looking out for them, and then manifesting indifference by turning them down. I think we should stop explorations and wait until they come to us. Mr. Hill is the serious situation up there, and they are taking these properties and then in turn leasing them to our competitors, and he is using all his efforts to have them take up these properties.

MR. STEELE: I have a sort of feeling that we are in an

atmosphere of high prices all around. I think, however, when hard times come these little fellows cannot carry these ore properties.

THE CHAIRMAN: Have we turned down any first-class ore properties adjacent to our roads?

THE PRESIDENT: No; when you say first-class propositions, however, it is pretty hard to say how any property may develop.

THE CHAIRMAN: If our competitors have bought property of a low grade ore where the analyses was (sic) not over 50% in iron and high in sulphur, I think we can afford to let them have them at these big prices. I told Deering that I thought they made a mistake in their purchase for the reason that they are tied up to Hill and have a low grade of ore. I do not think that we would be attracted by such a proposition even if it were on our railroad. We have at least 60,000,000 tons of that grade of ore which is not worked at all. It is true the properties have advanced, but I believe you will get these low grade ores cheaper in the next four or five years. Upon Mr. Gayley's recommendation we bought one property which was a little low in iron, but its physical construction was such that it was first class for mixture. I think that was a good purchase; but when you take an ore that is soft, fine low in iron, high in phosphorous and removed from our track, then I do not believe it is good judgment to buy it now because I do think you can buy it much cheaper in the next four or five years.

THE PRESIDENT: I believe we must make some arrangement with Hill. We have depended upon his assurances that he would let us have the properties, and we are now giving him a million tons of ore every year down his road. I think Mr. Hill ought to give us the leases of all his properties subject to a contract with him by which we would guarantee him certain minimum traffic over his road. All he wanted was the traffic. He does not want any royalty.

THE CHAIRMAN: I think you would have to pay him some royalty.

MR. STEELE: I will take it up with him.

THE CHAIRMAN: It may be that we have neglected him, and I will tell you why I think so. While you (meaning the

President) were in Europe, Mr. Hill's son sent me a letter on the subject and I immediately sent the papers to Mr. Gayley to take up and dispose of them and get Hill down here and discuss the question here, and see what would be a fair arrangement.

THE PRESIDENT: It was deferred until my return, when I immediately got hold of Mr. James Hill, and he said that the properties were held for the United States Steel Corporation.

THE CHAIRMAN: I received later a letter from Mr. Hill in which he said he had never been seen on the question.

THE PRESIDENT: A friend of mine has shown me a telegram offering the leasing of the Hill properties to him, and there is some misunderstanding.

May 20, 1902.

PRESENT: Messrs. E. H. Gary, Chairman,
C. M. Schwab,
D. G. Reid,
Charles Steele.

The President stated that Mr. Scranton is about to enter into the rail business again, and that he thinks it advisable to see him.

PRICE OF RAILS.

The Chairman stated that he would like to see the price of rails fixed for 1903.

Tuesday, June 3rd, 1902.

PRESENT: Messrs. E. H. Gary, Chairman,
George W. Perkins,
C. M. Schwab,
William Edenborn,
Charles Steele.

AMERICAN STEEL & WIRE COMPANY.
PURCHASE OF GRISWOLD WIRE COMPANY.

The President read to the meeting a letter from President

Palmer, dated May 19th, 1902, strongly recommending the purchase of the plant of the Griswold Wire Company at Braddock, Pa. Mr. Palmer stated that that Company owns and controls a patent for the manufacture of dimension or exact length bale ties, used principally for baling hay. The concern is capitalized at $75,000. and Mr. Palmer thinks it can be secured for about that sum.

MR. EDENBORN: I know about the proposition; they are the only ones making ties in opposition to our Company.

THE CHAIRMAN: I think we can get it for less. In talking with Mr. Jennings, of Messrs. Stetson, Jennings & Russell about the Griswold property offered to us last March, this Braddock property was part of the proposition, and Mr. Edenborn and I were in favor of buying the whole property of the Griswolds, including this property, and in the course of the negotiations, it seems to me that we talked about this present plant as being worth about $50,000.

MR. EDENBORN: I would not like to see one of the other concerns in Pittsburg buy it.

THE PRESIDENT: If we feel it is right, let us authorize them to give not more than $75,000. and then buy on the best terms possible.

THE CHAIRMAN: Do you not think we can do better through Mr. Jennings here? Frank Baackes seemed to think he could get an option.

MR. EDENBORN: I think I can get someone to get an option. I would favor authorizing them to buy it at $75,000. or as much better as they can.

Upon motion of Mr. Steele it was duly voted that the purchase of the plant at $75,000.00 or better be recommended.

July 15th, 1902.

PRESENT: Messrs. E. H. Gary, Chairman,
C. M. Schwab,
William Edenborn,
E. C. Converse,
D. G. Reid.

STANDARD OIL COMPANY.

The President brought up the question of tubes for the Standard Oil Company, stating that that Company desired to contract with us for tubes with the right to buy the steel anywhere if they should see fit; that the matter had been discussed with President Hearne and others, and the conclusion reached that any contract with the Oil Company should provide for the purchase from us of plates as well as the tubes; that Mr. Rogers had stated that his Company would construct its own pipe mills if arrangements satisfactory to his Company could not be made with us; that the proposition had been made to the Oil Company by the Steel Company that they take plates for a period at 5% below the prevailing prices and that if the prices should break in the interim the matter of the market price should be left to an arbitrator.

Mr. Converse stated that the tonnage of the Oil Company would be likely to run from 125,000 to 140,000 tons a year.

The present position of the Steel Company in this matter was thereupon approved.

September 16th, 1902.

PRESENT: Messrs. E. H. Gary, Chairman,
George W. Perkins,
D. G. Reid,
Charles Steele,
E. C. Converse,
William Edenborn.

NATIONAL TUBE CO. SALES POLICY.

The Chairman reported that at the Directors' meeting of the National Tube Company to-day the subject of meeting competition on merchant pipe came up for consideration.

The facts are: That the Company is manufacturing and selling about 50% of the total trade in that line and the competition is very close; that now the Tube Company is maintaining prices while its competitors have been underselling about $5. or $6. per ton and are fighting one another more or less now; that the representatives of the selling department of the Tube Company have an arrangement with the jobbing trade whereby they get the first and last call. The question is whether the Tube Company shall maintain prices and let the other people take the business or whether the Tube Company should take care of its business although it will cost them more to do it.

Upon motion, duly seconded, it was voted to be the sense and recommendation of this Committee that our people should take the business.

September 23rd, 1902.

PRESENT: Messrs. E. H. Gary, Chairman,
George W. Perkins,
D. G. Reid,
Charles Steele,
E. C. Converse,
W. B. Dickson.

NATIONAL TUBE COMPANY.
SALES DEPARTMENT.

Mr. Converse reported that the tube business is getting along very nicely with the exception of merchant pipe; that they have a stock of 40,000 tons on hand, more than they should have at this time of the year; that it should be about 25,000 tons less; and that up to the last three weeks they have not been after the outside competitors, but at the last meeting of the Tube Company a plan of action was formulated in such a way as to give the Tube Company a call on the business; they could let it go if necessary, or take the business if they wanted to do so. Outside of that their position for this time of the year is very good.

OCTOBER 14TH, 1902.

PRESENT: Messrs. E. H. Gary, Chairman,
George W. Perkins,
William Edenborn,
Charles Steele,
D. G. Reid,
James Gayley.

COKE SITUATION.

In regard to the coke situation, Mr. Gayley stated in substance about as follows: It has been published that we intended to discontinue the sale of coke in the future to outsiders. In consequence, some coke people had called upon him during the past week to make inquiries. Our maximum capacity is 33,500 tons per day. Our requirements are 32,500 tons, leaving 1,000 tons as surplus. We purchase under a billet contract from Oliver 1,400 tons per day, making a surplus of 2,400 tons providing we can get it all shipped. We have been buying coke for ten or fifteen years, and have always been large purchasers. We sell this coke at a profit of 5c. or 10c. per ton, and have done this merely to regulate the price. That situation is not so important to us at the present time. I do not think we are in a position to sell coke to outsiders excepting the small surplus which we would sell to the people from whom we are getting iron; and we would only want to sell them on some sort of conversion in order to insure our getting the iron. Mr. Lynch tells me that on the first of April we may get some coke from Pocahontas. After making the inquiry at the meeting as to what the policy of the Company ought to be as to the selling of coke, Mr. Gayley stated that if we cannot sell any he does not think it advisable to go into the market and purchase it for sale to others, and particularly when we are depending upon the railroads for the transportation and might be placed in a position to be sued for breach of contract. We have been purchasing this year in the neighborhood of 2,500 tons a day outside, and prior to that we did purchase about 5,000. In answer to Mr. Steele's inquiry as to what effect Pocahontas will have on

the situation, Mr. Gayley answered that it will put us in position to sell coke if we wished to do so but as a primary proposition he would not sell it unless on a conversion deal whereby we get iron in exchange; that we are not selling a pound of ore outside of filling our old contracts, with the exception of some silicious ore.

The Chairman stated in this connection that we have been supplying some outside consumers with coke right along, year after year, and they are very solicitous about their future supplies; Mr. Gayley has been importuned by these people, and so have I; they want to be the favored few, and think we ought to take care of them. It is a question that ought to be very carefully considered. For instance, you have a thousand tons surplus, and if you can accommodate, without any injury to your own business, one or two of these people who are influential, it may be wise to do so.

Mr. Gayley stated that the price at which coke was fixed, after canvassing the situation, was $3. a ton on the cars at the oven; that we have been selling it at $2.20 and it could be sold at a higher price, but it was thought best not to try and get the maximum price. In answer to an inquiry from the Chairman as to who fixed the price, Mr. Gayley stated that a meeting of the Presidents occurred the other day.

Mr. Gayley stated further that new people are going in to buy some of the coal lands in the Connellsville region, and that therefore he wishes to call attention to the proposition contained in a communication addressed to him by President Lynch of the H. C. Frick Coke Company under date of October 13th, 1902.

January 6th, 1903.

PRESENT: Messrs. E. H. Gary, Chairman,
George W. Perkins,
Charles Steele,
D. G. Reid,
James Gayley.

OLIVER IRON MINING COMPANY.
ORE PROPERTY, MISSABE RANGE.
WHITESIDE FORTY.

Mr. Gayley presented a letter addressed to him by President Cole, under date of the 3rd instant, concerning an option which the Oliver Iron Mining Company has on the Whiteside Forty, on the Missabe Range. The terms offered are $112,500 as the purchase price of the lease; a royalty of 25 cents per gross ton and a minimum of 50,000 tons per annum.

Mr. Cole recommends the purchase of this lease on the best possible terms, and thinks we could secure it for $100,000 and a royalty of 20 cents per ton. Mr. Gayley in a letter to the Committee dated January 6th, endorsed the recommendation of Mr. Cole, with the exception that the minimum should be 25,000 tons. Mr. Gayley stated that the option expires January 15th; that it adjoins the property owned by Mr. Hill and contains about seven million tons; that he does not know of any other block of ore property in the Northwest outside of this and the property of Mr. Hill; that they all report if any new ore is found they are satisfied it will be some isolated spots on the Missabe Range east of the line of St. Louis and Itasca Counties, and that every Forty has been drilled.

The Chairman stated that he believed we should take this lease if it can be secured for $100,000 and at a royalty of 20 cents a ton and a minimum of 25,000 tons.

Upon motion, duly seconded, it was voted that the purchase of the lease on the terms stated by the Chairman, or better, be recommended to the Finance Committee.

January 13th, 1903.

PRESENT: Messrs. E. H. Gary, Chairman,
Charles Steele,
William Edenborn,
E. C. Converse,
D. G. Reid,
James Gayley,
W. B. Dickson.

TROY PLANT.

Mr. Gayley stated that he believed the Troy Plant should go to the American Steel & Wire Company; that Mr. Perley was sent up there as a practical manager and his report indicates that to put two of the blast furnaces in operation will require the expenditure of $100,000; that it will be necessary to spend $35,000 of that amount in any event because contracts were made by the Troy people to that extent.

The Chairman offered the suggestion that any money expended there should be spent as slowly as possible.

Mr. Dickson suggested that the property might be placed in the hands of President Palmer, who would send his engineers there and decide once for all whether it should be operated.

Upon motion of Mr. Steele it was recommended that the property be turned over in the proper manner to President Palmer of the American Steel & Wire Company.

OLIVER IRON MINING COMPANY.
ORE PROPERTY, MISSABE RANGE.
WHITESIDE FORTY.

Referring to the offer submitted at the meeting of this Committee on January 6th, Mr. Gayley reported that the owners had declined to accept the offer made to them for the lease.

Upon motion, duly seconded, it was voted that the attention of the Finance Committee be called to the refusal to sell, and that this Committee requests a further consideration of the matter by the Finance Committee.

Concerning the foregoing, the Chairman stated that he believed the recommendation of this Committee was very conservative; that even if Mr. Gayley is but half right with reference to his explorations and the ore lands not yet taken up, he does not believe we ought to lose seven million tons of Missabe ore at $100,000.

March 24, 1903.

KOSMERL ORE PROPERTY.

Mr. Gayley stated: That there is now an opportunity to secure an option on the ore property known as the Kosmerl, lying between the Whiteside and the Wanless properties, and it seems to be the deep part of the basin of ore of these three properties; that our people believe the property will show at least five million tons of ore; that the basis of the lease would be 35c per ton with a minimum of 50,000 tons the first year, 100,000 tons the second year and 150,000 tons thereafter; that $30,000 cash is required for an option expiring November 1st next, and the sum of $200,000 is to be advanced to the fee owners as advance royalty on taking the lease; that the latter sum and the $30,000 are to be returned by taking 10c per ton from all ore mined; that it is also provided that if 2,300,000 tons of ore are not shown, enough additional in excess of the 10c may be deducted to repay the advanced royalty; that the ore averages 59% iron; that inasmuch as we now control the Wanless property on the west, both properties could be worked as a unit with a single installation of hoisting and power plant, etc.; that the property has an area of 80 acres, but the lower Forty does not give any promise.

The Chairman stated that a royalty of 35c for non-Bessemer ore is a pretty big one.

Mr. Gayley stated he believed it to be a splendid proposition and that if we do not take it Mr. Hill will; that he does not think we ought to let it get away from us.

MR. STEELE: If we can get ore properties on a fair basis I think we ought to take them.

On motion, duly seconded, it was voted that the offer be recommended to the Finance Committee.

The following Minutes of the Finance Committee of the United States Steel Corporation (Record, page 584 to page 618), are offered in evidence by the Petitioner under the foregoing Stipulation, dated June 26, 1912 (page 359), for all purposes for which said Minutes are competent and relevant:

Each and all of said minutes are objected to by Counsel for said Defendants on the ground of incompetency, irrelevancy and immateriality.

NOVEMBER 18, 1901.

PRESENT: MESSRS. PERKINS, GARY, REAM, ROGERS, SCHWAB, WIDENER.

On motion, and by the affirmative vote of all present, it was

RESOLVED, that the question of the proper amount of capital stock and of dividends to be declared by the Duluth and Iron Range R. R. Co., be referred to Mr. Gary, with power to act.

NOVEMBER 20, 1901.

A meeting of the Finance Committee of the United States Steel Corporation was held at the office of Messrs. J. P. Morgan & Co., in the City of New York, on Wednesday, November 20, 1901, at three o'clock, P. M.

PRESENT: MESSRS. PERKINS (in the chair), GARY, REAM, ROGERS, SCHWAB, WIDENER.

The minutes of the meeting of November 18th were read and, on motion and by the affirmative vote of all present, were approved.

On motion and by the affirmative vote of all present the Secretary was directed to request the Comptroller to furnish this Committee a list of all stocks, bonds, debentures, &c., be-

longing to any corporation of whose stock this Company holds a majority.

The Committee considered the forms of reports requested by the Chairman at the meeting of November 18th.

The President laid before the Committee memoranda of 14 items of expenditures (aggregating $1,446,380) for improvements recommended by the Executive Committee, to be made at the various properties in which this Company is largely interested. On motion and by the affirmative vote of all present the above recommendations of the Executive Committee were approved and the President was requested to suggest to the proper officers of the Companies concerned that such improvements be made.

(The following memorandum is attached to the above minutes):

FINANCE MEETING, NOV. 20TH, 1901.

To the Chairman of Finance Committee:

The Executive Committee beg to make the following recommendations, for the approval of the Finance Committee:

———ooo———

1st: Expenditure for railroad shops at Greenville, on the P. B. & L. E. R. R. The money for this to be provided by sale of Bessemer & Lake Erie stock to the Carnegie Co.	$100,000
2nd: Illinois Steel Co., erection of continuous roughing mill and furnace for 8″ Mill at Milwaukee; it is estimated that a saving of $100,000 per year will be effected by this expenditure of $45,000....	45,000
3rd: Am. S. & Wire Co. Installing a blowing engine of the	

Sheet Steel Co. at Newburg plant; this engine was ordered for Sheet Steel Co. before consolidation; construction was afterwards stopped and engine is now on hand and paid for and can be utilized by Steel & Wire Co. at this additional expense 50,000

4th: Nat. Tube Co. Erection of pumping station, at Middletown, Pa., their American Dept. Necessitated from fact that water was formerly drawn from the canal and must now be taken from the river. Cost..... 55,000

5th: Steel Hoop Co. Placing in first class condition their Isabella Furnaces and making them modern in every particular. Before consolidation the Hoop Co. appropriated $900,000 for improvements at these furnaces and this has been exhausted..... 550,000

6th: Sheet Steel Co., Vandergrift Plant, 50-ton double chain Ladle Crane; made necessary for economical operation of the plant. 13,187

7th: Steel & Wire Co., Cylinder for Wire Mill Engine at Washburn & Moen Works..... 13,000

8th: Steel & Wire Co., Schenberger Works, Electric Ingot Extractor, an addition to operating facilities at these Works..... 11,600

9th: Bridge Company, three 60-ton lifting air riveters at Pencoyd Works, which will add to the economic operation of the Works. 12,000

10: Bridge Co., Hydraulic machinery for making large eye bars

at Pencoyd Works, made necessary by taking contract from Wabash R. R., requiring bars of larger size than any now manufactured 75,000

11: Stripping of surface from Burt Mine; a necessary expenditure for the operation of the mine; to be paid from a fund provided for that purpose..... 93,000

12: Improvements in Northwest, as follows:

		Chge.
Sibley Shaft, new siding....	$17,000	Construction
Republic I & S Co. Mines, new track	11,648	Construction
Fayal Mine, tracks & grading,	51,157	Replacement Fund
Duluth & Iron Range R. R. Co., renewal of rails & new tracks into lumber regions.	51,604	Operating Expenses
Duluth, Missabe & Northern R'y, rebuilding bridge #9.	37,184	Replacement Fund
Rebuilding of ore dock #4 at Two Harbors, Minn.....	165,000	Replacement Fund
Re-modeling of S. S. "Queen City"	25,000	Improvement Fund
		$358,593.00

The expenditure of $165,000 for re-building of ore dock at Two Harbors is conditional, *i. e.*, money is to be spent this way if after investigation it is found more desirable to rebuild this dock than spend a larger amount in erecting

a new dock at Burlington Bay.

13th: Coke Deficit, Mr. Lynch's letter of Nov. 11th herewith.

14th: Steel & Wire Co., Oxide Plant at Worcester, for utilization of waste acid; estimated that it will show an annual profit of $30,000. Its erection is made necessary also by the laws of the State of Massachusetts & Rhode Island governing pollution of streams... $70,000

DECEMBER 17TH, 1901.

A meeting of the Finance Committee of the United States Steel Corporation was held at the office of Messrs. J. P. Morgan & Co., in the City of New York, on Tuesday, December 17th, at 3 P. M.

Present: MESSRS. PERKINS (in the chair), ROGERS, SCHWAB, WIDENER.

On motion, and by the affirmative vote of all present, the below recommendations of the Executive Committee were approved, and the President was requested to suggest to the proper officers of the companies concerned, that such improvements be made:

1.	American Tin Plate Co., improvements at Pittsburg Works, Annealing Furnace, Dynamo, Engine, etc.	$ 18,000
2.	American Steel & Wire Co., Fire protection for Rockdale, DeKalb & Scott St. Mills at Joliet $50,000, $35,000 and $40,000 resp.....	125,000
3.	Am. Tin Plate Co., American Works, Fire protection	121,100
4.	Am. Steel & Wire Co., Fire protection at Anderson Plant	25,000

5.	Mr. Gayley's recommendations, for Oliver Iron Mining, Pittsburg S. S. and Duluth, Missabe & Northern R'y, also Minnesota S. S. Co.	450,000
6.	Nat. Tube Co., Finishing Machinery, Oil City Dept.	13,925
7.	Nat. Tube Co., to increase threading and finishing capacity at Riverside Dept.	18,000
8.	National Steel Co., new boilers for Niles Furnace	25,000
		$796,025

FEBRUARY 4, 1902.

A meeting of the Finance Committee of the United States Steel Corporation was held at the office of the Corporation, 71 Broadway, in the City of New York, on Tuesday, February 4th, at 2:30 o'clock P. M.

Present: MESSRS. PERKINS (in the chair), GARY, REAM, ROGERS, WIDENER.

Various questions relating to the inventory of iron ore were discussed and were referred to the Chairman with power.

On motion of Mr. Gary and by the affirmative vote of all present it was decided to recommend to the National Tube Company to pay Mr. Samuel Mather, of Cleveland, the sum of $200,000 as commission for his services in the purchase of the Aragon Mine for the National Tube Company.

Mr. Gary submitted letters from President McMurtry of the American Sheet Steel Company, dated February 4th, 1902, and October 15th, 1901, with regard to improvements for the American Sheet Steel Company, as follows:

I.—$25,000. for two additional sheet mills at McKeesport, including a new engine, two stands of rolls and necessary furnaces; estimated to cost $25,000, all of which is to be charged to Operating Expenses.

II. American Sheet Steel Company: 4 additional mills, additional building, rebuilding old building and furnaces,

1,200 horse power engine, boilers, stokers, foundations, rolls, etc., at Wellsville, Ohio; estimated to cost $194,150.00, of which 25% should be charged to Operating Expenses and the remainder to Construction.

Mr. Gary stated that the Executive Committee had considered these two expenditures and had recommended them.

On motion and by the affirmative vote of all present the above two recommendations of the Executive Committee were approved and Mr. Gary was requested to recommend to the proper officers of the Company concerned that such purchases and improvements be made; total cost of the first item to be charged to Operating Expenses and of the second item 25% to be charged to Operating Expenses and 75% to Construction.

Mr. Gary submitted papers relating to proposed purchase of 100 acres of land near Pittsburg by the American Bridge Company.

On motion and by the affirmative vote of all present consideration of such purchase was postponed until Monday, February 10th.

There being no further business before the Committee the meeting adjourned to meet at the office of Messrs. J. P. Morgan & Co. on Monday, February 10th, at 3 o'clock P. M.

J. P. ORD,
Secretary.

APRIL 22, 1902.

A meeting of the Finance Committee of the United States Steel Corporation was held at the office of Messrs. J. P. Morgan & Co., in the City of New York, on Tuesday, April 22nd, 1902, at two o'clock P. M.

Present: Messrs. Perkins (in the chair), Rogers, Schwab, Widener.

The minutes of the meetings of April 8th and 15th were read, and on motion and by the affirmative vote of all present, were approved.

The President stated that the Executive Committee had considered and recommended the sixteen following expenditures:

1. Carnegie Steel Co., 2 additional open hearth furnaces at Duquesne Works, All to be charged to Construction	$271,040.00
2. Carnegie Steel Co., Homestead Works, New Culvert at West Run, All to be charged to Operating Expenses	23,565.00
New travelling tables for 35" mill, ½ to be charged to Operating Expenses, ½ to be charged to Construction	37,000.00
Edgar Thompson, new engine for old rail mill, All to be charged to Operating Expenses	50,000.00
New boilers for H. & I. Furnaces, All to be charged to Operating Expenses	150,000.00
3. AMERICAN STEEL & WIRE CO., New plant in San Francisco, All to be charged to Construction	110,000.00
	$641,605.00
4. AMERICAN STEEL & WIRE CO., Two boilers at Emma Furnace, Cleveland, All to be charged to Operating Expenses	26,500.00
5. AMERICAN STEEL & WIRE CO., Tanks, pumps, pipes, etc., at Worcester Works,—½ to be charged to Operating Expenses, ½ to be charged to Construction	24,360.00
6. AMERICAN STEEL & WIRE CO., Installation of calcining kiln at Carondelet Plant of Edgar Zinc Co., ½ to be charged to Operating Expenses, ½ to be charged to Construction	18,000.00
7. CARNEGIE STEEL CO., Two Blast Furnaces at Edgar Thompson Works, All to be charged to Construction	1,000,000.00

8.	AMERICAN STEEL HOOP CO., Locomotive for Isabella Furnaces, ½ to be charged to Operating Expenses, ½ to be charged to Construction.....	11,500.00
9.	AMERICAN SHEET STEEL CO., Woodson property near McKeesport, Appropriation requested for piling, ½ to be charged to Operating Expenses, ½ to be charged to Construction.....	26,381.71
10.	AMERICAN SHEET STEEL CO., Scottdale Plant, Improvements, ½ to be charged to Operating Expenses, ½ to be charged to Construction.....	15,000.00
11.	UNION RAILROAD: Consolidated Locomotive, urgently needed, All to be charged to Construction.....	20,000.00
12.	NATIONAL STEEL CO., Two Blowing Engines, one at Mingo Works and other at New Castle, $50,000 each, ½ to be charged to Operating Expenses, ½ to be charged to Construction.....	100,000.00
13.	DULUTH & IRON RANGE R. R. Tracks for Minorca Mine..... To be charged as is customary for sidings and extensions.	10,870.00
14.	DULUTH, MISSABE & NORTHERN RAILWAY, Spurs to new mines, located in sections 22 and 23, To be charged as is customary for sidings and extensions	96,091.66
		$1,990,308.37
	Forward, ...	$1,990,308.37
15.	DULUTH, MISSABE & NORTHERN RAILWAY, Rails for Biwabic Branch.....	16,936.80

To be charged as is customary for sidings and extensions.

16. COAL LAND IN INDIANA, to be acquired for interests of Sheet Steel, Tin Plate and Steel & Wire Companies, 1200 acres at average of $40. per acre (*Option expires* April 24th) 48,000.00
All to be charged to Construction.

$2,055,245.17

JUNE 3, 1902.

PRESENT: MESSRS. PERKINS (in the chair), GARY, REAM, SCHWAB.

The President reported that the Executive Committee had considered and recommended the following expenditures:

1. AMERICAN STEEL & WIRE COMPANY, to purchase the entire property of the Griswold Wire Company at an approximate cost of $75,000.00
All to be charged to Construction.

2. FEDERAL STEEL COMPANY to build coke ovens at its Leckrone Plant and on Sewickley Branch; the present outlay in connection therewith to be approximately..... 100,000.00
All to be charged to Construction.

On motion and by the affirmative vote of all present the foregoing recommendations of the Executive Committee were approved, and the President was authorized to recommend to the proper officers of the companies concerned that such purchase and improvements be made.

DECEMBER 9, 1902.

On motion and by the affirmative vote of all present, the purchase of the *property of the*

TROY STEEL COMPANY

for $1,100,000, *was approved;* payment to be made during 1903 either in cash or in Second Mortgage Bonds of this company at the option of the purchaser. If in bonds, payment not to be made until the bonds have been on the market for three months,—the average price during that time to be the price at which the bonds shall be accepted in payment.

JANUARY 20, 1903.

PRESENT: MESSRS. PERKINS (in the chair), GARY, FRICK, BACON, ROGERS, REAM and WIDENER.

Mr. Gary reported that the Executive Committee had considered and recommended the following:

That the property of the

ELK CREEK DOCK COMPANY and of the CONNELLSVILLE CENTRAL RAILROAD COMPANY be conveyed to the Conneaut Dock Company, the Conneaut Land Company and the Bessemer Railroad, respectively,—the companies that will naturally assume charge of the properties.

On motion, and by the affirmative vote of all present, the foregoing action was duly approved, and the Chairman of the Executive Committee was requested to communicate such action to the proper officers of the companies concerned.

On motion, and by the affirmative vote of all present, the following action and recommendations were duly approved:

OLIVER IRON MINING COMPANY—WHITESIDE FORTY.

The Committee reconsidered its former recommendation and recommends the purchase of the lease for $100,000, with

a royalty of 20 cents per ton and a minimum of 25,000 tons per annum.

OLIVER ORE PROPERTIES:

The purchase of the Oliver Ore Properties was referred to Mr. Frick with power to close. As one of the conditions of this purchase, Mr. Frick stated that Mr. Oliver and Mr. Congdon would agree to keep out of the ore business except in the interest of the United States Steel Corporation.

TROY STEEL PRODUCTS COMPANY:

The subject of taking over the Troy Steel Products Company, and of authorizing the payments under the terms of the recent purchase, was referred to the Chairman of the Executive Committee with power.

SHARON STEEL COMPANY:

The settlement of the details of the questions involved in taking over the Sharon Steel Company's property was referred to the Chairman of the Finance Committee and to the Chairman of the Executive Committee with power.

SALARIES OF OFFICERS OF UNITED STATES STEEL CORPORATION and SUBSIDIARY COMPANIES; also BONUS to OFFICERS of UNITED STATES STEEL CORPORATION.

The question of salaries of officers of the United States Steel Corporation, and of its subsidiary companies, and the matter of bonus to officers of the United States Steel Corporation for the year 1902, was referred to Messrs. Gary, Bacon and Frick with power to investigate, adjust and settle.

FEBRUARY 17, 1903.

PRESENT: MESSRS. PERKINS (in the chair), GARY, ROGERS, WIDENER and FRICK.

The Chairman of the Executive Committee reported that in the matter of the

PURCHASE OF THE TROY STEEL PRODUCTS COMPANY, the Executive Committee had recommended that the property

should be taken over by the American Steel & Wire Company; and that in pursuance of this recommendation, the American Steel & Wire Company had paid the sum of $107,291.70, and had given its note for $1,100,000 to A. C. Bedford, as Trustee, which note has been guaranteed by the United States Steel Corporation.

On motion, duly seconded, and by the affirmative vote of all present, it was:

RESOLVED: That the report of the Chairman of the Executive Committee be accepted, and that the action referred to in such report be, and hereby it is, ratified and approved.

On motion, and by the affirmative vote of all present, Mr. Frick, retiring, it was:

RESOLVED: That the United States Steel Corporation purchase from Henry Clay Frick 2,000 shares of the YOUNGSTOWN IRON SHEET AND TUBE COMPANY, for the sum of $211,196.00; and that in payment therefor, there be executed and delivered the promissory note of this Corporation for said sum, payable on or before five years after date, with five per cent. interest per annum, payable annually; and that the details for acquiring such stock, and executing and delivering said note, be referred to the Chairman of the Executive Committee, with power.

MARCH 3, 1903.

(Special Meeting of the Finance Committee.)

PRESENT: MESSRS. PERKINS (in the Chair) GARY, ROGERS, FRICK, WIDENER AND REAM.

Mr. Frick, as a Special Committee on the

PURCHASE OF OLIVER ORE PROPERTIES,

submitted a report; whereupon, it was, by the unanimous vote of all present:

RESOLVED: That the report of Mr. H. C. Frick, as Special Committee, that he had acquired from the CHEMUNG IRON COMPANY its interest as lessee under various leases from the owners of a large territory of iron ore property located on the Mesaba Range, being the total of the present holdings of said Company, be, and the same hereby is, approved and ratified.

RESOLVED, FURTHER: That the subject-matter of closing the said purchase, and executing and delivering a contract between said CHEMUNG IRON COMPANY and the OLIVER IRON MINING COMPANY, and also of a guaranty by the United States Steel Corporation of the fulfillment of said contract by the said Oliver Iron Mining Company, be, and the same hereby is, referred to the Chairman of the Executive Committee, with power.

On motion, and by the affirmative vote of all present, it was:

RESOLVED: That it is the sense of this Committee that information of

PROPOSED IMPORTANT CONTRACTS

involving large sums of money, or any change in general policy, or sales of valuable properties, or the making of important contracts for services, or relating to mining, manufacturing or transportation, should, so far as practicable, prior to final decision, be given to the officers of this Corporation, and by them furnished to its Committee.

MARCH 17, 1902.

Mr. Frick, as Special Committee on

GUARANTEEING ORE TONNAGE OVER MR. HILL'S RAILROADS, reported that he believed a fair arrangement would be to guarantee *800,000* tons, the same tonnage as last year; and in case our shipments exceeded those of last year, to give

the Hill roads their proportion of such excess,—to be figured on the basis of last year's shipments.

On motion and by the affirmative vote of all present, such suggestion was approved and Judge Gary was authorized to conclude the arrangement.

Judge Gary, as Special Committee on

CLAIRTON STEEL COMPANY,

reported that Mr. Snyder proposed that this company should acquire 55% of the stock of the Clairton Steel Company on a basis of actual cost, and that the Crucible Steel Company should retain 35% and Mr. Snyder, 10%; and further, that the Clairton Steel Company should enter into a ten year contract with the Crucible Steel Company under which the former should agree to supply the latter with a maximum of 200,000 tons of steel per annum at Three dollars a ton below the market price. After some discussion, at the request of the Chairman of the Finance Committee, the question was referred to Judge Gary and Mr. Frick to negotiate further with Mr. Synder and to report at a Special Meeting of this Committee to be held at one o'clock P. M. on Thursday, March 19th, 1903.

March 19th, 1903.

Present: Messrs. PERKINS (in chair), GARY, SCHWAB, ROGERS, WIDENER and FRICK.

The Special Committee on

CLAIRTON PROPERTY

reported they had negotiated a proposition for the sale to this Corporation of 55% of the Clairton Steel Company on the basis of actual original cost,—the Crucible Steel Company to retain 35% and W. P. Snyder to procure and hold 10%. That the negotiations were conducted with W. P. Snyder and Chairman Miller of the Crucible Steel Company who will endeavor to secure the assent of all the stockholders of the

Crucible Steel Company. That W. E. Corey, Thomas Morrison and W. B. Schiller have been appointed a Special Committee to examine the properties in question and report at their earliest convenience. That accompanied with the proposition is a proposed arrangement between this company and the Crucible Steel Company for the total requirements of iron and steel of the Crucible Steel Company when and as the United States Steel Corporation is in position to furnish the same. That the basis for sale is as follows: When the average monthly market price of steel, to be determined by mutual agreement or by arbitration if necessary, is over $22. per ton, a reduction to the purchaser of $2. per ton; when $22. per ton or below, down to $15. per ton, a reduction of 7%; when below $15. per ton no reduction.

When the average monthly market price of pig iron, ascertained as above is $20. or over, a reduction of $1.50 per ton to the purchaser; when under $20. a ton, down to $16., a reduction of 7%; when below $16. and down to $14., a reduction of 5%; when below $14., no reduction.

That the leading interests are not to engage in competitive business. That Mr. Snyder will be connected with the management of the Clairton properties during the pleasure of this Corporation on a salary to be fixed by agreement or by Mr. Frick if officials cannot agree, and while so connected will not engage in competitive business.

That the expenditures up to the present date represented to amount to about $10,250,000., have been paid in 5% bonds of the Clairton Steel Company guaranteed by the Crucible Steel Company,—55% of which this Corporation will assume in payment for the 55% interest as above.

On motion, the subject-matter was re-referred to the Chairman of the Executive Committee to close on the above basis provided the Treasurer can arrange with Pittsburg banks for 55% of the additional cash required to complete and for working capital, payable on or before 5 years at not exceeding 5% interest.

JUNE 2, 1903.

The Special Committee concerning the

ORGANIZATION OF THE UNION STEEL COMPANY,

reported that it had decided to have a nominal organization in New York, consisting of: Mr. William B. Dickson, for President; Mr. Richard Trimble, for Treasurer; Mr. W. B. Filbert, for Secretary, and those three gentlemen with Messrs. Gary and Schwab, or some others to be selected, for Directors; and that leases of the different classes of manufacturing property now being operated by different subsidiary companies should be made, and the management and operation of these lines of business respectively continued by the proposed *leases*.

Upon motion, duly seconded, the report of such Special Committee was adopted and unanimously approved.

JANUARY 5, 1904.

The President presented a letter addressed to him by Mr. F. A. Assman, President of the

AMERICAN CAN COMPANY,

requesting reduction in the price of tin plate furnished by the American Tin Plate Company to the American Can Company. After some discussion, the question was referred to a Special Committee, composed of Messrs. Corey, Gary and Ream.

On motion, duly seconded, the meeting adjourned.

JANUARY 6, 1904.

The Treasurer presented a letter from Mr. J. A. Campbell, Vice-President and General Manager of the

YOUNGSTOWN IRON, SHEET & TUBE COMPANY,

requesting the consent of stockholders to the making by the company of a loan not to exceed $800,000. upon its 7% Convertible Notes, to be offered pro rata to the present stockholders of the Company. Upon motion, and by the affirmative vote of all present, it was:

RESOLVED: That the matter be laid on the table.

JANUARY 12, 1904.

The Special Committee appointed to consider the proposed contract between the American Tin Plate Company and the

AMERICAN CAN COMPANY

reported that it had recommended the closing of contract on the basis of $3.35 per box, which, upon motion, duly seconded, was approved.

FEBRUARY 16TH, 1904.

President Schiller of the National Tube Company appeared before the Committee and strongly urged the

PURCHASE OF A BOILER TUBE PLANT AT BUFFALO,

now in the hands of a Receiver, and to be sold on the 28th instant. Mr. Schiller stated that the plant could be bought for between $50,000. and $75,000., and suggested that it be acquired by an organization in which the National Tube Company held a controlling interest: 62½%.

Upon motion, and by the affirmative vote of all present, the purchase was recommended, on the foregoing general lines, and the matter was referred to Judge Gary and President Schiller, with power.

MARCH 22, 1904.

Judge Gary, as Special Committee, with power, reported the

SALE BY THE NATIONAL TUBE COMPANY OF THE WARREN PLANT

for the sum of $10,000.; and the purchase by the National Tube Company for the sum of $61,000. of the

BOILER TUBE PLANT AT BUFFALO,

subject to confirmation by the Court.

APRIL 5, 1904.

Judge Gary, for the Special Committee on

SALE OF SEMI-FINISHED PRODUCTS,

reported that the Committee had listened to a full discussion of the subject-matter by Presidents of subsidiary companies and others interested and had decided to recommend that, for the present at least, subsidiary companies who are manufacturing semi-finished products, do not sell the same to outsiders in competition with subsidiary companies who are manufacturing finished products from such semi-finished products, without the consent of the subsidiary company interested, which, upon motion duly seconded, was approved.

APRIL 13TH, 1904.

A letter from President Schiller to President Corey was read, urging a lease for five years at about $15,000. per year of the

EASTERN TUBE COMPANY OF ZANESVILLE, OHIO.

On motion, and by the affirmative vote of all present, the question was referred to Mr. Schiller to obtain further information and more definite terms.

The President made a report of operations of plants and business of the Export Department.

Judge Gary as Special Committee on

CLAIRTON STEEL COMPANY,

stated that as the question had come up in a somewhat different form, he reported progress. Whereupon the Committee was continued.

AUGUST 24TH, 1904.

The President reported that in accordance with authority given to him under date of July 21st, he had recommended the sale of the

FALCON SHEET MILL PROPERTY

at Niles, Ohio, for $10,000. to the Niles Fire Brick Company with an agreement that for ten years no steel or iron sheets, tin plate, merchant bars, pipe and tubing (not cast), nails or products for fabricating structural material should be manufactured.

On motion, duly seconded, the meeting adjourned.

RICHARD TRIMBLE,
Secretary.

Nov. 1, 1904.

The President brought up the question of making some arrangement with foreign producers in regard to

PRICE OF RAILS TO BE SOLD IN NEUTRAL MARKETS.

After a full discussion, the question was referred to Messrs. Gary and Corey, with power.

DECEMBER 13TH, 1904.

Judge Gary, for the Committee on

PURCHASE OF PIG IRON AND SCRAP,

reported that the Committee had recommended the purchase, which had been concluded, of 25,000 tons of pig iron at $15.50, for immediate delivery. On Motion, duly seconded, the report was approved, and the Committee continued.

FEB. 7, 1905.

On motion, and by the affirmative vote of all present, the President was authorized to PURCHASE 25,000 TONS OF PIG IRON AT $15.50, FURNACE.

APRIL 11TH, 1905.

The President submitted a form of proposed contract between the American Sheet and Tin Plate Company and the

AMERICAN CAN COMPANY.

On motion, duly seconded, it was recommended that the contract be made,—Mr. Frick not voting.

SEPTEMBER 19TH, 1905.

On motion, duly seconded, the purchase of 40,000 tons of pig iron by the Carnegie Steel Company, at $15., or better, was recommended.

FEB. 20, 1906.

The Chairman of the Board, for himself and Mr. Frick, acting as the Special Committee, appointed March 17th, 1903, reported that at various times negotiations had been pending between the Special Committee and the

HILL INTERESTS FOR THE ACQUISITION OF THE HILL ORES;

that as a final result, a verbal arrangement had been made, and the Chairman stated in general terms the substance of this arrangement; also that it was expected to reduce the agreement to writing in the form of leases and that if the parties agree as to details, the arrangement would probably be consummated some time during the spring or summer.

On motion, duly seconded, the action of the Special Committee was approved, and the whole subject-matter was re-referred to the Chairman of the Board and Mr. Frick with full power.

JULY 24th, 1906.

A meeting of the Finance Committee of the United States Steel Corporation was held * * * July 24th, 1906 * *

* * * *

On motion, duly seconded, and by the affirmative vote of all present, the Treasurer was authorized to

LOAN $2,000,000 TO THE UNION PACIFIC RAILROAD COMPANY

for six months at 5½%, taking its note and the following collateral:

Oregon Short line Railroad Company Refunding Collateral Trust 4% Bonds, due 1929, Northern Pacific Railway

Company stock, and Great Northern Railway Company Preferred Stock; and to

PURCHASE NOTES OF THE AMERICAN TELEPHONE & TELEGRAPH COMPANY

for $1,000,000., payable January 24th, 1907, discounted at 5½%.

AUGUST 14, 1906.

On motion, duly seconded, and by the affirmative vote of all present, the Treasurer was authorized and directed to

LOAN $3,000,000. TO THE UNION PACIFIC RAILROAD COMPANY

for six months at 5½%, taking its note and the following collateral:

OREGON SHORT LINE RAILROAD COMPANY REFUNDING COLLATERAL 4% BONDS,
NORTHERN PACIFIC RAILWAY COMPANY STOCK, and
GREAT NORTHERN RAILWAY COMPANY PREFERRED STOCK.

SEPTEMBER 25TH, 1906.

On motion, duly seconded, the President was authorized to

PURCHASE PIG IRON FOR DELIVERY IN JANUARY, FEBRUARY AND MARCH, 1907,

at not to exceed fifteen or twenty thousand tons per month.

OCTOBER 30, 1906.

The President, to whom on June 19th was referred for negotiation and reports the matter of

PURCHASE OF ALL OR A CONTROLLING INTEREST IN THE SCHOEN SOLID FORGED AND ROLLED STEEL WHEEL COMPANY,

made a general report, and on motion, the subject-matter was referred to a Special Committee composed of the ex-officio members and Messrs. Frick and Rogers.

FEBRUARY 26TH, 1907.

The Chairman of the Board reported that the

LOAN OF THREE MILLIONS TO THE UNION PACIFIC RAILROAD COMPANY,

due February 15th, had been renewed for six months at 5½%.

APRIL 9TH, 1907.

Present: Messrs. GARY (in chair), BAKER, COREY, FRICK, PERKINS, REAM and ROGERS.

On motion, duly seconded, the question of recommending the

FIXING OF THE PRICE OF RAILS FOR 1908,

and accepting orders at this time for 1908 delivery, was referred to the Chairman and President for consideration and report.

APRIL 16, 1907.

The Special Committee appointed to consider the

PRICE OF RAILS,

reported that it had recommended that the price of rails for 1908 be fixed at $28. F. O. B. Mills, and on motion, the report was approved and adopted.

JUNE 18TH, 1907.

Present: Messrs. GARY (in chair), BAKER, PERKINS, REAM and WIDENER.

The chairman reported to the Committee the action that had been taken in the appointment of Committees to investigate the question of

RAILS,

and in issuing an invitation to the railroad Presidents and the Presidents of manufacturing companies to meet at this office on June 27th, and on motion, the report was approved.

OCTOBER 23RD, 1907.

A meeting of the Finance Committee of the United States Steel Corporation was held on Wednesday, October 23rd, 1907, at 11:30 o'clock A. M.

Present: Messrs. GARY (in the chair), BAKER, FRICK, PERKINS and REAM.

After some discussion, it was unanimously voted that an exchange of $1,200,000., par value, Ten-Sixty Year Five Per Cent. Sinking Fund Gold Bonds of the United States Steel Corporation for $2,000,000., par value, (20,000 shares)

of stock of the Tennessee Coal, Iron and Railroad Company be made, as outlined in agreement submitted, and the whole subject-matter was referred to the Chairman with power.

On motion, the meeting adjourned.

RICHARD TRIMBLE, Secretary.

NOVEMBER 2ND, 1907.

Present: Messrs. GARY (in the chair), BAKER, FRICK, PERKINS and REAM, and Mr. J. P. MORGAN by request.

The subject-matter of the purchase of the properties of the

TENNESSEE COAL, IRON AND RAILROAD COMPANY

on terms suggested was fully discussed, and thereupon the meeting adjourned without action.

RICHARD TRIMBLE, Secretary.

NOVEMBER 2ND, 1907.

A meeting of the Finance Committee of the United States Steel Corporation was held on Saturday, November 2nd, 1907, at nine o'clock P. M.

Present: Messrs. GARY (in the chair), BAKER, FRICK and PERKINS, and Mr. J. P. MORGAN by request.

The subject-matter of the purchase of the properties of the

TENNESSEE COAL, IRON AND RAILROAD COMPANY

on terms suggested was fully discussed, and thereupon the meeting adjourned, without action.

RICHARD TRIMBLE, Secretary.

NOVEMBER 3RD, 1907.

A meeting of the Finance Committee of the United States Steel Corporation was held on Sunday, November 3rd, 1907, at eleven o'clock A. M.

Present: Messrs. GARY (in the chair), BAKER, FRICK and PERKINS and Mr. J. P. MORGAN, by request.

The subject-matter of the purchase of the properties of the

TENNESSEE COAL, IRON AND RAILROAD COMPANY

on terms suggested was fully discussed, and thereupon the meeting adjourned without action.

RICHARD TRIMBLE, Secretary.

NOVEMBER 3RD, 1907.

A meeting of the Finance Committee of the United States Steel Corporation was held on Sunday, November 3rd, 1907, at nine o'cloek P. M.

Present: Messrs. GARY, (in the chair), BAKER, FRICK, PERKINS and REAM, and Mr. J. P. MORGAN by request.

Upon motion, duly seconded, it was:

RESOLVED: To recommend to the Board the purchase of the properties of the

TENNESSEE COAL, IRON AND RAILROAD COMPANY

on terms suggested, and that the whole subject-matter be referred to the Chairman, with power.

On motion, the meeting adjourned.

RICHARD TRIMBLE, Secretary.

NOVEMBER 4TH, 1907.

A meeting of the Finance Committee of the United States Steel Corporation was held on Monday, November 4th, 1907, at six o'clock P. M.

Present: Messrs. GARY (in the chair), BAKER, FRICK, PERKINS and REAM, and Mr. J. P. MORGAN, by request.

On motion, duly seconded, it was unanimously:

RESOLVED: To recommend to the Board of Directors the purchase of the properties of the

TENNESSEE COAL, IRON & RAILROAD COMPANY

on terms now suggested and different somewhat from those suggested at the meeting held at nine P. M. on November 3rd, and that the whole subject-matter be referred to the Chairman, with power.

On motion, the meeting adjourned.

RICHARD TRIMBLE, Secretary.

NOVEMBER 5TH, 1907.

A meeting of the Finance Committee of the United States Steel Corporation was held on Tuesday, November 5th, 1907, at nine o'clock P. M.

Present: Messrs. GARY (in the chair), COREY, FRICK, PERKINS, PHIPPS and REAM, and Mr. J. P. MORGAN, by request.

After further discussion in regard to the terms for acquiring the properties of the

TENNESSEE COAL, IRON & RAILROAD COMPANY

the subject-matter was again referred to the Chairman, with power.

On motion, the meeting adjourned.

RICHARD TRIMBLE, Secretary.

NOVEMBER 6TH, 1907.

A meeting of the Finance Committee of the United States Steel Corporation was held at the office of the Corporation on Wednesday, November 6th, 1907, at three o'clock P. M.

Present: Messrs. GARY (in the chair), BAKER, COREY, FRICK, PERKINS, PHIPPS, REAM and ROGERS.

The President made report of

OPERATION OF PLANTS AND OF FOREIGN SALES.

On motion, duly seconded, it was:

RESOLVED: That for the purpose of effecting the exchange of our Ten-Sixty-Year 5% Sinking Fund Gold Bonds for the capital stock of the Tennessee Coal, Iron and Railroad Company (in accordance with resolution adopted by the Finance Committee on November 5th, 1907) Mr. Richard Trimble, Treasurer, be, and hereby he is, authorized and directed to execute and deliver to Messrs. J. P. Morgan & Co. an assignment covering Certificate L118 for $30,000,000., par value, of the foregoing bonds now registered in the name of "Richard Trimble, Treasurer of the United States Steel Corporation and his successors in office."

The President submitted an appropriation blank covering the following proposed expenditure by the OLIVER IRON MINING COMPANY, VIZ:

For the purchase of mine equipment for the Lake Superior Mine at Ishpeming, as set forth in detail in the blank $38,000.00

(NOTE: The above appropriation is in lieu of and cancels Item A on U. S. 760 for ..... $30,550.
Item E on U. S. 758 for ..... 8,000.

$38,550.)

On motion, duly seconded, the foregoing expenditure was recommended.

On motion, the meeting adjourned.

RICHARD TRIMBLE, Secretary.

NOVEMBER 6TH, 1907.

A meeting of the Finance Committee of the United States Steel Corporation was held at the office of the Corporation on Wednesday, November 6th, 1907, at 3:30 o'clock P. M.

Present: Messrs. GARY (in the chair), COREY, FRICK, PERKINS, PHIPPS, REAM and ROGERS.

The Chairman, to whom the whole subject-matter of the proposed purchase of the properties of the

TENNESSEE COAL, IRON AND RAILROAD COMPANY

had been referred with power, made a report to the Committee, and thereupon, on motion, duly seconded, it was unanimously:

RESOLVED: To recommend to the Board of Directors, at its meeting to be held this day, the adoption of the following resolutions:

"RESOLVED: That the proper officers of this Company be, and hereby they are, authorized to purchase the properties belonging to the Tennessee Coal, Iron & Railroad Company, and to that end to acquire all or any part of the shares of the capital stock of said Company but not less than a majority of all such shares now issued and outstanding and any subscription certificates for shares subscribed for but not yet issued upon which a proportion of the subscription price has been paid; all such shares and subscription certificates to be paid for at the par thereof.

RESOLVED: That the proper officers of this Company be, and hereby they are, authorized to use in making payment for said stock so purchased all or any part of the thirty million dollars ($30,000,000), par value, of bonds of the United States Steel Corporation, known as Ten-Sixty Year Five

Per Cent. Sinking Fund Gold Bonds, issued under the indenture dated April 1, 1903, between the United States Steel Corporation and the United States Trust Company of New York, which bonds are now held in the treasury of this Company, being a part of the fifty milion dollars ($50,000,000.) par value, of said bonds authorized by the resolutions of the Board of Directors at the meeting held April 1, 1902, to be issued for the corporate purposes of the United States Steel Corporation, at the rate of eleven thousand, nine hundred and four dollars and seventy-six cents ($11,904.76), par value, of said bonds for each one hundred (100) shares of stock of the par value of ten thousand dollars ($10,000.); and further

RESOLVED: That the proper officers of this Company, in making such payment, be, and hereby they are, authorized to issue or cause to be issued all or any part of said bonds directly to the person or persons from whom the said stock of the Tennessee Coal, Iron and Railroad Company shall be purchased in lieu and instead of going through the form of making sale of said bonds for cash and immediately using such cash in payment for the stock purchased; and further

RESOLVED: That if the said thirty million dollars ($30,000,000.) of bonds shall not be sufficient to make payment at the rate aforesaid for all of the stock of the Tennessee Coal, Iron & Railroad Company that shall be acquired under the foregoing resolutions, the proper officers of this Company be, and hereby they are, authorized for the purpose of making payment at the rate aforesaid for any such additional stock, to use any securities or moneys in the treasury of the Corporation not heretofore specifically appropriated or set aside."

On motion, the meeting adjourned.

RICHARD TRIMBLE, Secretary.

APR. 28, 1908.

On motion, duly seconded, it was voted that the Chairman be requested to ascertain the facts concerning the

CLAIM THAT THE AMERICAN BRIDGE COMPANY HAS BEEN CHARGED WITH ILLEGALITY IN CERTAIN CONTRACTS.

MAY 5TH, 1908.

The Chairman reported the facts concerning the

AMERICAN BRIDGE COMPANY CONTRACTS,

referred to in the minutes of April 28th, and on motion, the subject-matter was re-referred to the Chairman, with power.

JULY 6TH, 1908.

The Special Committee on

SCHOEN STEEL WHEEL COMPANY,

reported that it recommended the purchase by the Carnegie Steel Company of the property of the Schoen Steel Wheel Company,—including an inventory guaranteed to amount to at least $101,851.18 and cash and receivables guaranteed to equal at least $164,341.27,—for Two million dollars, to be paid for: $650,000. in cash and the guaranty by the Carnegie Steel Company of the principal and interest of $1,350,000., par value, of the outstanding First Mortgage 5% Bonds of the Schoen Steel Wheel Company, all in accordance with draft of contract submitted. On motion, duly seconded, the report was approved and adopted.

JANUARY 19TH, 1909.

On motion, duly seconded, the question of recommending the

PURCHASE BY THE AMERICAN STEEL AND WIRE COMPANY OF THE SHELLABERGER PROPERTIES AT DE KALB, ILLINOIS,

known as the

UNION FENCE COMPANY,
DE KALB FENCE COMPANY, and the
KANSAS STEEL AND WIRE WORKS,

including all patents on fence machinery, for $300,000., or less, was referred to the Chairman and President with power.

The President stated to the Committee that he had received information of substantial

PRICE CUTTING BY COMPETITORS, PARTICULARLY IN PLATES AND STRUCTURAL MATERIALS.

He further stated that he did not recommend a reduction in our prices at this time.

JANUARY 26TH, 1909.

On motion, duly seconded, the question of

PURCHASE BY THE NATIONAL TUBE COMPANY OF THE MINORITY INTEREST OF 49% OF THE STOCK OF THE JOHN DAVIS COMPANY FOR $85,000.,

or less,—51% having been acquired by the Western Tube Company in 1902, was referred to the Chairman and President, with power.

FEBRUARY 9TH, 1909.

The Special Committee on

PURCHASE BY THE AMERICAN STEEL AND WIRE COMPANY OF THE SHELLABERGER PROPERTIES AT DEKALB, ILLINOIS,

reported that it had recommended the purchase at $275,000. of the properties referred to in the minutes of January 19th, 1909, and, on motion, duly seconded, the report was approved and adopted.

FEBRUARY 8, 1910.

The President presented a letter from J. G. Butler, Jr., in regard to

PURCHASES OF PIG IRON,

and on motion, and by the affirmative vote of all present, the President was authorized to purchase 40,000 tons at $18., Valley, for delivery in March, April, May and June.

FEBRUARY 24, 1910.

On motion, the question of

PURCHASE BY THE SUBSIDIARY COMPANIES OF FROM 25,000 TO 50,000 TONS OF PIG IRON

was referred to the Chairman and President, with power.

JANUARY 9TH, 1912.

A meeting of the Finance Committee of the United States Steel Corporation was duly held at the office of the Corpora-

tion, in the City of New York, on Tuesday, January 9th, 1912, at two o'clock P. M.

Present: Messrs. GARY (in the chair), BAKER, FRICK, MORGAN, PERKINS, PHIPPS, REAM, WIDENER and the President.

The minutes of the previous meeting held on January 2nd, 1912, were read, and, on motion, duly seconded, and by the affirmative vote of all present were approved.

The treasurer submitted his monthly report showing:

SINKING AND DEPRECIATION FUNDS AND INVESTMENTS AND CASH HELD THEREFOR.

The President made report of

OPERATION OF PLANTS,

FOREIGN SALES AND

SALES AGENTS' REPORTS.

The President submitted to the meeting appropriation blank covering the following proposed expenditure, which, on motion, duly seconded, was recommended:

AMERICAN STEEL AND WIRE COMPANY.

For the installation in the rod mill, Newburgh Steel Works, of three (3) mechanically operated gas producers to replace those worn out, $45,000.00

On motion, duly seconded, the meeting adjourned.

RICHARD TRIMBLE, Secretary.

The following Minutes of the General Managers of Sales Association of the United States Steel Corporation (Record, page 619 to page 637), are offered in evidence by the Petitioner under the foregoing stipulation, dated June 26, 1912 (page 359), for all purposes for which said Minutes are competent and relevant:

Each and all of said minutes are objected to by Counsel for said Defendants on the ground of incompetency, irrelevancy and immateriality.

(Meeting May 22, 1901.)

Meeting was called to order by Mr. H. P. Bope, of the Carnegie Steel Company, at 10.00 A. M.

On motion, duly seconded, Mr. H. P. Bope was elected Permanent Chairman, and Mr. Severn P. Ker was elected Temporary Secretary.

Upon the Chairman ordering roll call, the following gentlemen answered to their names as present:

Mr. Joshua A. Hatfield, Vice President,
Representing American Bridge Company of New York.
Mr. John A. Topping, Vice President,
Mr. James L. Sharkey,
Representing American Sheet Steel Company.
Mr. Severn P. Ker, Vice President and General Manager of Sales,
Representing American Steel Hoop Company.
Mr. Frank Dickerson, General Sales Agent,
Representing American Tin Plate Company.
Mr. Frank Baackes, General Sales Agent,
Representing American Steel & Wire Company.
Mr. H. P. Bope, First Vice President and General Manager of Sales,
Representing Carnegie Steel Company.
Mr. W. C. Magee, Vice President,
Representing H. C. Frick Coke Company.
Mr. George Baker, General Manager of Sales,
Representing Illinois Steel Company.
Mr. Daniel Coolidge, President,
Representing Lorain Steel Company.

MR. W. P. SIEBERT, General Sales Agent,
Representing National Steel Company.
MR. EDWARD WORCESTER, General Sales Agent,
Representing National Tube Company.

For the general information of those present, the minutes of the meeting of the Traffic Managers' Association were read.

It was moved and seconded that the General Managers of Sales of each Company furnish each of the other Companies copies of their price lists, catalogues and any other pertinent printed matter, so that each General Manager of Sales may be acquainted with the products of all the Constituent Companies, and that as many lists and catalogues be furnished as may be desired. Carried.

After considerable discussion on the question of making sales delivered or f.o.b. mill, it was

Moved and seconded that all car load lots shall be sold delivered at destination, based on tariff rates of freight. Carried.

It was moved and seconded that the control of routing on less than car load lots be left to the discretion of the individual Companies. Carried.

It was moved and seconded that whenever any member of this Association wishes to have a ruling on any particular question which it is proposed to submit at the next meeting, such member shall submit the proposition in writing to the Chairman at least one week prior to the date of next meeting, and the Chairman shall mail to each member as promptly as possible a copy of the proposition submitted. Carried.

It was moved and seconded that a Committee of three be appointed by the Chairman to confer upon a uniform telegraphic code, which Committee shall report at the next meeting. Carried.

In pursuance of this resolution, the Chairman appointed MM. Hatfield, Topping and Ker.

The question of advertising was discussed at some length, and it was decided that no action be taken on the subject at the present time.

Recess taken until 2.00 P. M.

Meeting reconvened at 2.00 P. M. with Mr. Bope in the chair.

At the request of the Chairman, minutes of the last meeting of the Purchasing Agents were read.

It was moved and seconded that the prices on finished material between the Constituent Companies shall be the lowest market price, regardless of quantity, ruling on such material at date of sale. Carried.

After considerable discussion as to the methods to be employed in handling export business, it was declared by the Chairman to be the sense of the meeting that it recommend to the President of the Corporation that a joint Export Department be established at Pittsburg for the handling of billets, rails, plates, structural material, bars, bands, hoops, etc., such office to direct export sales after consultation with the General Managers of Sales of the Companies in whose behalf the sales are being made, and to keep itself fully informed of the manufacturing requirements, of sailing dates of vessels on which space has been contracted, and to generally handle and direct the export business of the above character of product.

Export business of wire, wire nails, wire products, sheet steel, tin plate, tubes and other special lines to be for the present left to the individual control of the Companies engaged in the manufacture of such goods.

After an extended discussion in reference to the price to be charged by the producers of billets, sheet bars and other raw material entering into finished goods produced by any of the finishing properties of the United States Steel Corporation, it seemed to be the general opinion that the price to be charged for the raw material to the finishing company should be so adjusted as to enable such company to increase its export business on finished material to the maximum.

President Schwab, of the Steel Corporation, came into the meeting at this point and expressed his appreciation of the efforts of those present, and the hope that the meetings may result in the greatest possible good to each of them and to the Companies they represented, as well as to the Steel Corporation.

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It was moved and seconded that it be suggested to the Steel Corporation that a General Credit Bureau of Information be established, to the end that the Credit Division of each of the Constituent Companies may be kept fully informed upon all purchasers of doubtful credit, and to which Bureau they may apply for information that may be obtainable from each of the Constituent Companies in references to credits. Carried.

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The 17th Meeting of the General Managers of Sales Association was held in the Empire Building, New York, at 10.00 A. M. Wednesday, December 17, 1902.

There were present:

H. P. Bope, Chairman, Carnegie Steel Company,
J. A. Hatfield, American Bridge Company of New York,
W. A. Bache, American Sheet Steel Company,
Jas. L. Sharkey, American Sheet Steel Company,
George Baker, Illinois Steel Company,
Daniel Coolidge, Lorain Steel Company,
Frank Dickerson, American Tin Plate Company,
T. H. Taylor, American Steel & Wire Company,
Edward Worcester, National Tube Company,
Veryl Preston, United States Steel Corporation,
W. B. Dickson, United States Steel Corporation.

Reading of minutes of previous meeting was omitted.

* * * * *

Absorption of Union-Sharon Interests.

Upon inquiry by the Chairman, all the members expressed themselves as believing that the benefits to be derived from the absorption would be very great.

The Chairman stated it would give them considerable assistance in securing business which could not be handled owing to the shortage of Open Hearth steel. He cited as an example the business of the American Car & Foundry Company, which could be obtained at all times on an equal basis. In view, therefore, of the increased tonnage of Open Hearth

steel at the disposal of the Corporation, he said that Mr. Worcester, Mr. Baker and himself would take up with the Car & Foundry Company the question of securing a greater proportion of their tonnage.

INFORMATION BUREAU.

Subsidiary Companies' Obligations

The Chairman mentioned there has been some criticism because subsidiary companies do not keep in close enough touch with one another, and of the fact that some have been forced to go outside and buy material which should have been obtained within the Corporation. The general understanding is that subsidiary companies must obtain all their requirements from each other where this can be done, and he thought this should be watched more carefully in the future. In any case where this cannot be done, it is desired that Mr. Preston's office be notified.

Mr. Preston stated that he wanted his office used as a sort of clearing house for the various subsidiary companies, so that each may be kept in as close touch with the other as possible.

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The 18th Meeting of the General Managers of Sales Association was held in the Empire Building, New York, at 10.00 A. M., Wednesday, January 21, 1903.

There were present:

H. P. BOPE, Chairman, Carnegie Steel Company,
J. A. HATFIELD, American Bridge Company of New York,
GEORGE BAKER, Illinois Steel Company,
DANIEL COOLIDGE, Lorain Steel Company,
MR. APPLEGATE, American Sheet Steel Company,
FRANK BAACKES, American Steel & Wire Company,
EDWARD WORCESTER, National Tube Company,
VERYL PRESTON, United States Steel Corporation,

Reading of minutes of previous meeting was omitted.

* * * * *

SALES OF BILLETS AND SHEET BARS TO INDEPENDENT CONCERNS.

Mr. Baackes mentioned that since the Corporation has acquired the Union and Sharon properties, a number of outside people have come to them with reference to purchasing their requirements. These people have been getting their supply of steel abroad, and he thought it would be a good idea for some of the subsidiary companies to take this tonnage at competitive prices.

The Chairman replied they have made some sales to independent mills, but have always taken into consideration the Constituent Company whose finished product the sale would likely affect before concluding negotiations.

Mr. Preston remarked that this policy is in accordance with the decision reached by the Presidents. The Tin Plate people do not think sales should be made to their competitors at competitive prices, but the Sheet Steel people are quite favorable to the arrangement, as they realize that unless the raw material is supplied by the Corporation it will be obtained from some other source. It is, however, the policy to run all the finishing plants full, then if there is any surplus, sales should be made to the trade.

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The 19th Meeting of the General Managers of Sales Association was held in the Empire Building, New York, at 10.00 A. M., Wednesday, February 18, 1903.

There were present:

H. P. BOPE, Chairman, Carnegie Steel Company,
GEORGE BAKER, Illinois Steel Company,
EDWARD WORCESTER, National Tube Company,
JAS. L. SHARKEY, American Sheet Steel Company,
DANIEL COOLIDGE, Lorain Steel Company,
A. L. DAVIS, American Bridge Company of New York,
FRANK DICKERSON, American Tin Plate Company,
JOHN A. TOPPING, American Sheet Steel Company,
T. H. TAYLOR, American Steel & Wire Company,
VERYL PRESTON, United States Steel Corporation,
W. S. RUSSELL, United States Steel Corporation.

Reading of the minutes of the previous meeting was omitted.

* * * * *

PRICES.

As a matter of information Mr. Taylor advised that the Steel & Wire Company will within a few days raise their prices $2.00 per ton, which action has been approved by the Corporation.

Mr. Preston stated that the matter of advancing prices has been considered very carefully. The general policy is that when anything of the kind is contemplated the different Companies should proceed very cautiously and have all proposed advances approved before they are put into effect.

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The 20th Meeting of the General Managers of Sales Association was held in the Empire Building, New York, at 10.00 A. M. Wednesday, March 18, 1903.

There were present:

H. P. BOPE, Chairman, Carnegie Steel Company,
T. H. TAYLOR, American Steel & Wire Company,
J. A. HATFIELD, American Bridge Company of New York,
JAS. L. SHARKEY, American Sheet Steel Company,
GEORGE BAKER, Illinois Steel Company,
EDWARD WORCESTER, National Tube Company,
FRANK DICKERSON, American Tin Plate Company,
VERYL PRESTON, United States Steel Corporation,
W. S. RUSSELL, United States Steel Corporation,
JAS. A. FARRELL, Export Department, American Steel & Wire Company.

Reading of the minutes of the previous meeting was omitted.

* * * * *

CONTROL OF ROUTING—PACIFIC COAST SHIPMENTS.

* * * * *

The Chairman read the following resolution adopted by the Traffic Managers at their meeting on Tuesday, March 17, 1903:

"Resolved, it is the opinion of the Traffic Committee that it is of the greatest importance that all of the Constituent Companies of the United States Steel Corporation continue to sell their products on the Pacific Coast delivered at final destination without allowing customers to dictate routing. This is necessary not only to allow distribution of tonnage equitably among different works and utilize available equipment to best advantage, but also that we may continue to control routing in order to maintain our influence with the railways.

The importance of this policy has been recently demonstrated by the fact that several important freight adjustments have been settled in our favor, whereas, had we no control this could not have been accomplished. Our control also permits us to take advantage of water competition where conditions render same desirable."

It was suggested that further discussion of the matter be postponed until the next meeting, to which all agreed, the Chairman stating that he would have the Traffic Managers notified there would be no change made in the matter of routing.

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The 28th Meeting of the General Managers of Sales Association was held in the Empire Building, New York, at 10.30 A. M., Wednesday, September 2, 1903.

There were present:

H. P. Bope, Chairman, Carnegie Steel Company,
Edward Worcester, National Tube Company,
George Baker, Illinois Steel Company,
Jas. L. Sharkey, American Sheet Steel Company,
Frank Dickerson, American Tin Plate Company,
A. L. Davis, American Bridge Company of New York.
Frank Baackes, American Steel & Wire Company,
Daniel Coolidge, Lorain Steel Company,
J. A. Farrell, Export Bureau,

W. S. Russell, United States Steel Corporation,
W. B. Dickson, United States Steel Corporation.

Messrs. Gary and Corey were present during part of the meeting.

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The 30th Meeting of the General Managers of Sales Association was held in the Empire Building, New York, at 10.30 A. M., Wednesday, October 7, 1903.

There were present:

H. P. Bope, Chairman, Carnegie Steel Company,
Edward Worcester, National Tube Company,
George Baker, Illinois Steel Company,
Jas. L. Sharkey, American Sheet Steel Company,
Frank Dickerson, American Tin Plate Company,
J. A. Hatfield, American Bridge Company of New York,
T. H. Taylor, American Steel & Wire Company,
Daniel Coolidge, Lorain Steel Company,
J. A. Farrell, United States Steel Products Export Company,
Veryl Preston, United States Steel Corporation,
W. S. Russell, United States Steel Corporation,

Reading of minutes of previous meeting was omitted.

* * * * *

Control of Routing—Pacific Coast Shipments.

Mr. Worcester advised that they have lost the business of one large jobber on the Pacific Coast owing to their refusal to make other than delivered prices. The buyer absolutely refused to place his business unless given control of routing. It has been developed that some of the subsidiary companies have given up control of routing in certain instances, which has made their position harder to maintain, and in view of this he asked if it is still the understanding that delivered prices shall be made in all cases.

The Chairman stated it must be borne in mind that conditions have changed materially since the resolution governing delivered prices was adopted, and the question now to con-

sider is whether there should by (sic) any deviation from the former policy, or whether it should be firmly maintained despite the probable loss of business. They have always adhered to the delivered price policy, although in some instances have allowed the purchaser to designate the delivering line.

Full discussion of the matter developed the concensus of opinion that the policy of selling at delivered prices should be absolutely maintained.

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The 49th Meeting of the General Managers of Sales Association was held in the Empire Building, New York, at 11.00 A. M., Wednesday, September 21, 1904.

There were present:

H. P. Bope, Chairman, Carnegie Steel Company,
S. A. Benner, Carnegie Steel Company,
Frank Dickerson, American Sheet & Tin Plate Company,
J. I. Andrews, American Sheet & Tin Plate Company,
J. A. Hatfield, American Bridge Company of New York,
Edw. Worcester, National Tube Company,
George Baker, Illinois Steel Company,
Frank Baackes, American Steel & Wire Company,
Daniel Coolidge, Lorain Steel Company,
W. B. Dickson, United States Steel Corporation.

Messrs. Palmer, of the Steel & Wire Company, Topping, of the Sheet & Tin Plate Company, and Schiller, of the Tube Company, were also present, as were a number of the Purchasing Agents.

Reading of minutes of previous meeting was omitted.

Constituent Company Purchases.

The Chairman stated the purpose of calling a joint meeting with the Purchasing Agents was to discuss principally the question of Constituent Company purchases. There seems to be a divergence of opinion between the Purchasing Agents themselves as to the proper course to pursue, and in

some cases business has been placed with outside concerns which should have been kept within the Corporation. It is not so much a question of an outside Company making a lower price as it is the loss to the Corporation. He called attention to the resolution adopted several years ago making it practically compulsory to purchase all supplies within the Corporation where this is possible, the understanding being that in all cases the lowest price would be made regardless of quantity. As a matter of fact, it was expected that under this ruling outside quotations would not be solicited where the material can be furnished within the Corporation, and it is generally understood by outside concerns that they will not secure any orders for such materials.

The Purchasing Agents expressed themselves as concurring with the Chairman's views that all material should be purchased within the Corporation where possible, and stated they would endeavor to do this in every case.

A very general discussion followed, during which all the gentlemen present expressed their views, and finally the following resolution was offered and adopted by unanimous vote.

First. All materials made by the Corporation must be purchased within the Corporation.

Second. Prices must be the lowest named to the most favored customer, regardless of quantity.

Third. No quotation shall be asked on such material from outside parties.

Fourth. If special cases arise they must be referred to the two Presidents interested, and only placed outside by mutual agreement of these two officials.

Fifth. The Selling Company to acknowledge receipt of all orders, stating the prices at which same have been entered and as far as possible the time of shipment.

Sixth. A copy of this resolution shall be sent to each President, General Manager of Sales and Purchasing Agent of the Constituent Companies.

In order to obtain the benefit of car load rates in the northwestern district it was suggested that a small stock be carried there for current needs.

Messrs. Topping, Palmer, Schiller, and the Purchasing Agents withdrew from the meeting.

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The 67th Meeting of the General Managers of Sales Association was held in the Empire Building, New York, at 11.00 A. M., Wednesday, March 21, 1906.

There were present:

H. P. Bope, Chairman, Carnegie Steel Company,
S. A. Benner, Carnegie Steel Company,
Frank Baackes, American Steel & Wire Company,
E. W. Pargny, American Sheet & Tin Plate Company,
Frank Dickerson, American Sheet & Tin Plate Company,
George Baker, Illinois Steel Company,
A. L. Davis, American Bridge Company of New York,
Edward Worcester, National Tube Company,
J. W. Downer, National Tube Company,
John Duncan, Western Tube Company,
J. A. Farrell, United States Steel Products Export Company,
W. B. Dickson, United States Steel Corporation.

Reading of minutes of previous meeting was omitted.

* * * * *

Sales of Raw Material

Referring to the change of policy decided on by the Corporation, that we are not in the future to sell any raw material other than that which we cannot use in our own finishing mills, the Chairman stated that so far as the Carnegie Steel Company is concerned they cannot at present get out of the market altogether because of some long term contracts, but they are limiting their sales of billets and sheet bars. They will, however, be able to get rid of most of these contracts by January 1st, and it is their intention on July 1st to give notice on every contract they now have, where such notice is required, of their desire to cancel at the expiration of six months. New facilities put in since making these con-

tracts have added about 300,000 tons per year to their finishing capacity, and in addition the Constituent Companies have also increased their output, and he does not believe it will ever again be necessary to make such sales of raw material as they have made in the past.

There was a full discussion of the matter, each member expressing his views, and while it was the concensus of opinion that the ideal condition would be to use all of the steel produced in our own finishing mills, it was the feeling that the production should always be at the point where certain good customers, who are entirely dependent upon us for their steel supply and who are not in competition with any of the finishing lines manufactured by the Corporation, should always be taken care of.

Replying to this view of the matter, the Chairman said that in cases like the kind mentioned it is the intention to supply them as far as possible without limiting our own mills, but he referred generallly to making sales among the regular trade.

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The 94th Meeting of the General Managers of Sales Association was held in the Empire Building, New York, at 11.00 A. M., Wednesday, June 24, 1908.

There were present:

H. P. Bope, Chairman, Carnegie Steel Company,
S. A. Benner, Carnegie Steel Company,
Frank Baackes, American Steel & Wire Company,
E. W. Pargny, American Sheet & Tin Plate Company,
Frank Dickerson, American Sheet & Tin Plate Company,
George Baker, Illinois Steel Company,
J. W. Downer, National Tube Company,
Daniel Coolidge, Lorain Steel Company,
J. A. Hatfield, American Bridge Company of New York,
F. A. Burr, Tennessee Coal, Iron & Railroad Company,
J. A. Farrell, United States Steel Products Export Company,
W. B. Dickson, United States Steel Corporation.

Reading of minutes of previous meeting was omitted.

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Judge Gary and Mr. George W. Perkins came into the meeting at this point.

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The 99th Meeting of the General Managers of Sales Association was held in the Empire Building, New York, at 11.00 A. M., Friday, November 20, 1908.

There were present:

H. P. Bope, Chairman, Carnegie Steel Company,
S. A. Benner, Carnegie Steel Company,
Frank Baackes, American Steel & Wire Company,
E. W. Pargny, American Sheet & Tin Plate Company,
Frank Dickerson, American Sheet & Tin Plate Company,
George Baker, Illinois Steel Company,
Edward Worcester, National Tube Company,
Daniel Coolidge, Lorain Steel Company,
J. A. Hatfield, American Bridge Company of New York,
F. A. Burr, Tennessee Coal, Iron & Railroad Company,
E. P. Thomas, United States Steel Products Export Company,
W. B. Dickson, United States Steel Corporation.

Reading of minutes of previous meeting was omitted.

* * * * *

Increased Finishing Capacity Tennessee Coal, Iron & Railroad Company.

The Chairman called attention to a map recently prepared by Tennessee, a copy of which has been sent to all Constituent Companies, which indicates that all the territory south of practically a straight line from Norfolk across the country, including the Pacific Coast, could be supplied from Birmingham as well, or better, than from Pittsburg or Chicago, based upon common freight rates.

Mr. Burr explained this is based upon an entirely all-rail proposition. The map was prepared at the request of their Traffic Manager to determine the points at which they have as low, or lower, freight rates as Pittsburg or Chicago on the same class of material. It has been submitted to the various Traffic Managers and gone over very thoroughly, and while a few exceptions might be found, altogether he thought it is pretty accurate. It was prepared primarily to determine where Tennessee might do business if it is advisable to put additional finishing mills in that section. Mr. Corey recently stated that he expected within a period of five years Tennessee would be out of the market as a seller of pig iron, and as they are now increasing their pig iron capacity it is felt by them that something should be done in the direction of starting to increase their finishing capacity. His President called upon him to furnish data and recommendations along this line, and he has now been requested to bring this matter before this Association. He submitted the following data for consideration which does not, however, include the Pacific Coast delivery.

In bars and plates, they have as favorable, or more favorable, freight rates than either Pittsburg or Chicago to 46.3% of the area of the country, which contains 29.3% of the entire population, and in heavy and light rails 35.5% of the area, which contains 26.3% of the population. In heavy rails it is estimated that there will be required in this territory annually 435,862 gross tons for renewals and 305,852 gross tons for new construction. This is based upon the mileage of straight single main track of present steam roads, estimating that it will be necessary to make renewals once in twenty years (statistics show that renewals are made on an average of once in seven years) and that the average weight of the rail will be 80 pounds. The tonnage of new construction is based upon the average of orders placed in this territory during the past five years. In addition, there are some 15,000 miles of second track and sidings to which no consideration has been given; neither have the electric roads been figured. On fastenings for rails—splice bars, spikes, bolts and nuts—it is estimated the annual tonnage will be approximately 10% of the weight of the rails. In this line a large

percentage of the articles are patented and are now made by either Carnegie or Illinois, and it is not likely that angle bars would be substituted, so that he believes the total weight will be found to be approximately in accordance with the figures he has given. In light rails it is estimated the requirements will be from 50,000 to 100,000 tons per year, and fastenings 10% additional. Plates, from No. 12 gage up, approximately 100,000 tons per year; cotton ties and buckles, 52,000 tons; angles, 15,000 tons; structural shapes other than angles, 25,000 tons; bars, bands and tires, 100,000 to 150,000 tons; hoops, 25,000 tons; billets, 5,000 to 10,000 tons; bar iron, 60,000 tons. In tie plates the information that he has received indicates there are about 100,000 tons used in the country annually. Just what percentage is used in the southern territory alone he does not know, but in the southern and Pacific Coast territories combined there is quite a good tonnage. The same thing applies to this line as to rail fastenings, that practically all tie plates are patented and rolled either by Carnegie or Illinois, or the greater part of the material is furnished by them.

In other lines, it is reported to Mr. Crawford that the Steel & Wire Company shipped in 1907 to the southern territory shown on the map 217,000 tons, and including the Pacific Coast 282,000 tons, and they believe that during this time probably 25% of this amount was shipped into the territory by competitors. The Sheet & Tin Plate Company shipped into the southern territory during 1907, 58,000 tons and including the Pacific Coast 137,000 tons. The Tube Company shipped into the southern territory 98,000 tons, and including the Pacific Coast 193,000 tons.

Personally he is of the opinion that if additional finishing facilities are given them they should have, first, a plate mill on which they can roll the range of sizes mostly used in the south, a bar and guide mill that could be brought down to an econominal basis and make the general range of sizes that are made on modern bar and guide mills, and a mill on which they can roll angle bars for both heavy and light rails and a limited range of angles, say up to 6". He thought it would be a mistake to go into the heavier lines at the present time. He further believes that it would be advisable for the Steel

& Wire Company to put a plant in the south, although probably all that Tennessee could do would be to furnish the billets. The same would be true with regard to the Sheet & Tin Plate and Tube Companies. That the south is improving rapidly and that there could be built up a large business in that section he believes there is no question, because the people of the south prefer to deal with mills located in the south. But if increases are made by them or new mills come into that section with the idea of providing material on any other than a reasonable basis as compared with other manufacturing centers, that is, of charging Pittsburg or Chicago prices plus the freight, he believes that it would be useless to do so, and it would be better for them to remain in the pig iron business. In other words, these estimates are based upon making Birmingham a basing point and using the freight rates now in effect to the various points. However, he does not want to go on record that they will be able to make finished material at as low a cost as Pittsburg or Chicago for a long time at least, and he thought estimates should not be based upon the record up to this time, because they have not had either the equipment or the tonnage to shoe (*sic*) the costs that are possible; but that the tonnage can be had he has no doubt, and if given the proper equipment he believes they will be able to make a very excellent showing as to cost. As a matter of fact, their cost on rails at Ensley for the last three months has been under $20, and they have not been running half time.

He asked that the matter be given full consideration by the members, and for any comments or criticisms there might be of the estimates submitted.

Mr. Baackes stated that so far as their lines are concerned he believes if the Corporation does not put a mill down there someone else will. There is no question that the south is growing very fast, and he is of the opinion that it would be better to have a plant in this section than at Gary. Personally, he thinks they could do a business at such a plant of 150,000 tons annually, but it would not be his idea to sell on the Birmingham basis, as with the low freight rates obtaining northbound this might result in giving the southern manufacturers an advantage over northern manufacturers at some of

the northern points, which would, of course, not be advisable. He does not believe that what is required is the same base price at Birmingham as at Pittsburg, but rather facilities to be able to furnish material promptly.

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Mr. Benner mentioned that the Pressed Steel Car Company, who own a plant at Anniston, Alabama, had an offer for it a week or so ago, but have decided to hold on to it in the belief that the Corporation is going to put up additional mills at Birmingham and they will be able to utilize it to advantage. He expressed the opinion that the northern bolt, nut and spike makers, and people in other lines of business, who are now figuring upon putting plants in Chicago, or have made up their minds to do so, will follow them up with plants in Birmingham.

Mr. Worcester inquired regarding labor conditions, to which Mr. Burr replied he believes they are as favorable at Birmingham as at any point in the country, and climatic conditions also are favorable, but, of course, further south the conditions are entirely different.

Mr. Dickson remarked that at a recent Presidents' meeting Mr. Crawford made the statement that in order to utilize their increased production of pig iron coming from the new furnace and the remodeling of the old ones it would be necessary to provide an equal finishing capacity, and he suggested a plate mill and the purchase of additional ground adjacent so that it would be reached with hot metal, and Mr. Corey said he would consider any proposition put up. Unless Mr. Crawford desires an expression of opinion from this Association as to the lines on which he is working, he thought it would be better to take no action until he makes his recommendation.

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After some further discussion the concensus of opinion expressed was that Tennessee will have to have additional finishing mills, but for the present it will be advisable to manufacture only such products as can be sold in the South without contravening the general policy now in force, which would be light rails, bars (because there is no large tonnage

of steel bars shipped in from the north), wire and nails and cotton ties. With regard to cotton ties, the Chairman stated that while Carnegie has been placing about 30,000 tons per year, and the remainder of the requirements (the total averaging in the neighborhood of 45,000 tons per year) have been made by two Pittsburg mills and Atlanta, the tonnage is not so large as to make any great difference, and it is a commodity that can be made very nicely in the south and really ought to be made there.

Mr. Dickson was requested to present the views of the Association in the matter to Mr. Corey, with the suggestion that if a fuller report upon specific items is desired it is thought best that a committee be appointed to go into the question thoroughly.

Mr. Thomas added that with additional facilities and lower costs at Birmingham this ought to give them an advantage in southern countries, possibly to some extent in the Mediterranean, and when the Panama Canal is completed possibly on the West Coast, but this would depend very largely, of course, on the freight rates to gulf ports. However, he has no doubt but that they will be able to dispose of considerable tonnage, and this will probably not affect Pittsburg to any extent.

* * * * *

The following Minutes of the Directors and Stockholders of the Duluth and Iron Range Railroad Company (Record, page 638 to page 649), are offered in evidence by the Petitioner under the foregoing Stipulation, dated June 26, 1912 (page 359), for all purposes for which said Minutes are competent and relevant:

Each and all of said minutes are objected to by Counsel for said Defendants on the ground of incompetency, irrelevancy and immateriality.

(Directors' Meeting, Jan. 19, 1888.)

* * * *

RESOLVED: By the Directors of The Duluth and Iron Range Rail Road Company, that in accordance with the assent and authority of the entire amount of the outstanding Capital Stock of this Company, under a resolution of the Stockholders thereof, passed on the 28th day of December A. D. 1887, the President and Secretary of this Company be, and they are hereby authorized and directed to execute in the name of the Company and under its corporate seal and to issue and dispose of, from time to time, as the Board of Directors or the Executive Committee of the Company may direct, a Series of Income Certificates of this Company, to be dated at the time of their issue, to an amount equal to, but not exceeding in any event, the amount of the First Mortgage Bonds of the Company actually issued and certified under its mortgage dated September 20th, 1887.

RESOLVED FURTHER: That all Income Certificates issued or to be issued as aforesaid, shall not be valid or binding until certified by the Trustee or his successor as in said Income Certificates, provided; and that all of said Income Certificates shall be equal in all respects without preference priority or discrimination on account of and without reference to the time or times of the actual issue of said Income Certificates or any part thereof.

RESOLVED FURTHER: That Joseph H. Chandler of the City of Chicago, State of Illinois, is hereby appointed Trus-

tee of said Income Certificates for the purpose of certifying the same, and is authorized to sign the Trustee's Certificate on the Income Certificates issued as aforesaid.

RESOLVED FURTHER: That said Income Certificates shall be numbered consecutively from One, upwards, shall be of like tenor, except as to amount, and said Income Certificates shall be substantially in the following form:

UNITED STATES OF AMERICA,

STATE OF MINNESOTA

No. $

THE DULUTH AND IRON RANGE RAIL ROAD COMPANY

INCOME CERTIFICATE.

The Duluth and Iron Range Rail Road Company, a corporation organized and existing under the laws of the State of Minnesota, for a valuable consideration, hereby Promises To Pay to the owner hereof, appearing upon the books of the Company, annually, until October 1st, 1937, unless this Certificate is sooner retired, a sum, not exceeding six per centum per annum, upon the sum of .....

.....

Dollars, from such net annual Income as its Board of Directors, shall from time to time, declare to be available for the payment of dividends, which net income shall be ascertained by deducting from its gross income all operating and other expenses, all fixed charges, and the cost of all repairs and replacements, and all additions and improvements made by the duly authorized officers of the Company.

No dividends shall be paid in any year upon the Capital Stock of the Company, until fully six per centum has been paid in that year upon all outstanding certificates of this series.

This Certificate does not constitute an indebtedness of said Company, or a claim against it, except for the said percentage of net income in accordance with the terms hereof.

This Certificate is one of a series of Income Certificates of the said Company, each of like tenor, except as to amount.

the issue of which to the extent hereinafter named, has been authorized by its Board of Directors, with the assent thereto of the entire amount of the outstanding Capital Stock of the Company.

This Certificate shall not be valid until the Certificate endorsed thereon shall have been signed by Joseph H. Chandler, of the City of Chicago, Illinois, or his successor, as Trustee.

The amount upon which the six per centum per annum of income represented by these certificates is calculated, shall at no time exceed the amount of the First Mortgage Bonds of the said Railroad Company actually issued and certified under its mortgage dated September twentieth, A. D., One thousand Eight hundred and Eighty-seven.

The amount of the said First Mortgage Bonds is limited by the terms of said Mortgage as follows:

"FIRST: Three Million, Five hundred thousand Dollars for purchasing or retiring the existing bonds of the Railroad Company, and for purchasing and improving ore and merchandise docks and terminal facilities, and for improving the railroad of the Railroad Company now extending from the City of Duluth by way of Two Harbors to Tower and the Iron Mines.

SECOND: An additional amount of Twenty-five thousand dollars per mile for every mile of single track extensions and branches of said Railroad, hereafter acquired by the Railroad Company by construction or otherwise.

THIRD: An additional amount of Seven thousand Dollars per mile for every mile of said railroad, including branches and extensions, for additional equipment.

FOURTH: An additional amount of Twelve thousand dollars per mile for every mile of double track (not meaning side tracks), hereafter acquired by the Railroad Company."

The said Trustee shall be justified in originally certifying and delivering to the said Railroad Company the said Income Certificates to the amount of Three million, Five hundred thousand Dollars. Whenever and as often as there shall be filed with the said Trustee a certificate signed and duly verified by the President or Vice-President of the Railroad Company, stating that there had been issued by the said Railroad Company and certified by the Trustee an additional amount of First mortgage Bonds under said mortgage, the said Trustee or his successor shall certify and deliver to the said Railroad Company a corresponding additional amount of Income Certificates of the said Series equal to the additional amount of the First Mortgage Bonds stated as issued and certified in said Certificate.

The said Trustee shall also certify any new Income Certificates issued upon the surrender and cancellation of a Certificate of said Series previously certified. The Railroad Company may issue in exchange for this certificate, upon its presentation and surrender by the registered owner, new engraved Certificates of this series of the denomination of One thousand dollars each, conforming to the regulations of the New York Stock Exchange.

In case of the declination, resignation or inability to act of the said Trustee or any Trustee hereunder, the Railroad Company shall appoint a successor Trustee; and any Trustee hereunder may, with the consent of the Railroad Company, be removed, and a new Trustee appointed, by a majority in amount of the owners of said certificates then outstanding with the concurrence of the Railroad Company.

This Certificate is issued to ..... and is transferable only upon the books of the Railroad Company, at its office or Agency in the City of New York, in person or by Attorney.

In Testimony Whereof the said The Duluth and Iron Range Rail Road Company has caused its Corporate seal to be hereunto affixed, and the same to be attested by its Presi-

dent and Secretary, the day of A. D. One thousand Eight hundred and

.....

President of The Duluth and Iron Range Rail Road Company.

.....

Secretary of The Duluth and Iron Range Rail Road Company.

* * * * *

Stockholders' Meeting Jan. 19, 1888.

* * * * *

The minutes of the last meeting were read and approved.

On motion, duly seconded, the following resolution was unanimously adopted by a full stock vote, 5000 shares voting in favor thereof:

WHEREAS, The Minnesota Iron Company, has agreed to grant, bargain, sell and convey to this Company, certain lands and premises at Two Harbors on Agate Bay, in the County of Lake, in the State of Minnesota, together with the ore docks, merchandise docks, and other buildings and improvements thereon, and certain other lands at Tower, in Saint Louis County, for the use of this Company, which lands and premises are more particularly described in a resolution passed by the Stockholders of said Minnesota Iron Company on the 19th day of January, A. D., 1888, and,

WHEREAS, The said Minnesota Iron Company claims that it is entitled to all of the stock of every kind of this Company, under and by virtue of an agreement made between this Company and the said Minnesota Iron Company, whereby the said Minnesota Iron Company agreed to guarantee the payment of both principal and interest of the First Mortgage Bonds of this Company issued under its Mortgage dated May 1st, 1883, and to fortify said guaranty with a mortgage upon all of the property of said Minnesota Iron Company, in consideration of this Company agreeing that all of the Capital Stock of this Company that had not been issued at

the time of making such guaranty, and all that might thereafter be authorized to be issued, should belong to the said Minnesota Iron Company, and should be issued as and be full paid stock and the Certificates therefor should be made out and delivered as requested by that Company, to and for the Minnesota Iron Company as sole owner thereof, and

WHEREAS, Said Minnesota Iron Company, did, in pursuance of said agreement, guarantee the payment of the principal and interest of all of said bonds issued under said mortgage, dated May 1st, 1883, and to fortify the said guaranty did execute and deliver to the Fidelity, Insurance Trust and Safe Deposit Company of Philadelphia, Pennsylvania, as Trustee, a mortgage upon all of its lands, premises and other property, and

WHEREAS, The Board of Directors of this Company did, on the 23rd day of October, A. D., 1883, recognize said agreement and ratify and confirm the same, and

WHEREAS, The said Minnesota Iron Company has agreed to receive and accept in full payment of said lands and premises so to be conveyed by it, and in full satisfaction and discharge of all its claims to the stock of every kind of this Company under said agreement for the guaranty of said bonds as aforesaid, and in full satisfaction of all claims to Income Certificates under and in compliance with the contract dated November 1st, 1887, heretofore made between this Company and the Minnesota Iron Company for the exchange of the old bonds of the Company for the new five per cent. bonds, the following: Four hundred thousand dollars of Five per cent. bonds of this Company issued under its mortgage dated September 20th, 1887, with all coupons attached, and Three million Five hundred thousand Dollars in Income Certificates of this Company in the form authorized December 28th, 1887, and has further agreed to pay this Company, as additional consideration for said bonds and said Income Certificates, the sum of Six hundred thousand dollars, THEREFORE

RESOLVED, By the Stockholders of The Duluth and Iron Range Rail Road Company, that in consideration of the prem-

ises, and other good and valuable considerations, that the President of this Company be, and he is hereby authorized and directed to issue and have certified by the Trustee Income Certificates of this Company in the form authorized by the Stockholders December 28th, 1887, to the amount of Three million, five hundred thousand dollars, that being the amount of First Mortgage Bonds that have been actually issued and certified under the mortgage of the Company, dated September 20th, 1887, and that the President of the Company be, and he is hereby authorized and directed to deliver to said Iron Company Four hundred thousand dollars of the new Five per cent. bonds of this Company with all coupons attached, and said Income Certificates to the amount of Three million, Five hundred thousand dollars, upon receiving from the said Minnesota Iron Company a proper conveyance of said lands and premises above referred to, and a release of all the claims of the said Minnesota Iron Company under said agreement made with this Company for the guaranty of the payment of the principal and interest of the bonds of this Company, issued under its mortgage dated May 1st, 1883, and for all of the stock of the Company of every kind and nature that may be issued by this Company, and all claims for compensation of every kind growing out of said agreement for the guaranty of said bonds under said resolution of the Directors of this Company of October 23rd, 1883, and a release of all claims for Income Certificates under the said contract of November 1st, 1887, between this Company and the said Minnesota Iron Company, and upon receiving from the said Minnesota Iron Company the sum of Six hundred thousand dollars, and satisfactory evidence to him that the said Minnesota Iron Company has complied with the terms of its agreement with this Company for the exchange of bonds, and all expenditures made on said ore and merchandise docks since November 1st, 1887, shall be paid for by this Company.

* * * * *

Stockholders' Meeting June 11, 1888.

There were present at said meeting in persons, (*sic*) the following named Stockholders:

	SHARES
The Minnesota Iron Company by Jay C. Morse, Prest.	4,987
H. R. Bishop	1
R. H. Lee	1
George H. Ball	1
H. H. Porter	1
George C. Stone	1
R. P. Flower	1
Marshall Field	1
P. H. Kelly	1
	4,995
And there were represented by proxies	5
Total	5,000

being the entire Capital Stock of the Company outstanding.

* * * *

President's Report

TO THE STOCKHOLDERS OF THE DULUTH & IRON RANGE RAIL ROAD COMPANY

CHICAGO, June 2nd, 1891.

GENTLEMEN:—

I submit herewith the usual statements showing the operations of the Company for the year 1890 with general balance sheet of December 31st, 1890, and also the report of B. P. Crane, Land Commissioner.

There have been no extensions of the road made during the year. Additional equipment has been purchased to the extent of 41 Ore Cars and 4 Caboose Cars, at a total cost of $22,653.13. The whole of this expense has been charged to "Operating A/C", the cars having been purchased to replace cars worn out and destroyed (*sic*)

The general improvement and betterment of the main line has been continued during the year and on this account there has been charged against the year's income the sum of $17,030.06 in addition to the ordinary expenditures usually provided for in the Operating A/C

The total net profit for the year was $330,744.62 making the balance to the credit of Income A/C December 31st 1890 $710,891.95.

At the end of the year the Company had entirely liquidated its floating debt, and had a surplus of cash on hand, over and above all liabilities of 22,720.86 (*sic*) In addition it has $167,000 of its own First Mortgage Bonds in the treasury

Respectfully submitted,
Signed H. R. Bishop,
President.

Directors' Meeting October 13, 1897.

* * * *

On motion duly made and seconded, the following preamble and resolution were unanimously adopted, to-wit:—

Whereas, no dividend has ever been paid upon the capital stock of the Company since its organization, and

Whereas, the net surplus on August 31st, 1897, amounted to the sum of Three Million, One Hundred Thirty Thousand, Seven Hundred Ninety-two Dollars and Ten Cents ($3,130,792.10) and the Company now has property and assets, over and above the amount of all its indebtedness, and capital stock now issued and outstanding, of the full value of Three Million, One Hundred Thirty Thousand, Seven Hundred Ninety-two Dollars and Ten Cents, representing said surplus, and

Whereas, it is desirable to capitalize the whole or a portion of said surplus and to issue the stock of the Company therefor, and

WHEREAS, the authorized capital stock of the Company is the sum of Three Million Dollars, only Five Hundred Thousand Dollars of which has been issued,

NOW, THEREFORE, RESOLVED: That the President and Treasurer of this Company be, and they are hereby authorized and directed to issue the balance of the authorized capital stock of this Company, to-wit, Twenty-five Thousand (25,000) shares of par value of One Hundred Dollars ($100.00) each as full paid and non-assessable, and to distribute *pro rata* among the stockholders of this Company at the close of business this day, said Twenty-five Thousand shares of full paid stock, and to issue and deliver the necessary certificates therefor.

* * * * * *

Stockholders' special meeting, Nov. 18, 1897.

* * * * * *

J. L. Greatsinger, President, presided, and in the absence of the Secretary, A. H. Viele was elected Secretary *pro tem.* The following stockholders of the Company were present in person, or by proxy in writing, duly filed:

Minnesota Iron Company by D. H. Bacon, President, representing	29,934 shares
J. L. Greatsinger	6 "
Joseph Sellwood	6 "
D. H. Bacon	6 "
J. H. Chandler, by J. L. Greatsinger, proxy	6 "
D. O. Mills, by J. L. Greatsinger, proxy	6 "
Henry M. Flagler, by J. L. Greatsinger, proxy	6 "
Marshall Field, by J. L. Greatsinger, proxy	6 "
M. J. Carpenter, by J. L. Greatsinger, proxy	6 "
H. H. Porter, by J. L. Greatsinger, proxy	6 "
C. P. Coffin, by J. L. Greatsinger, proxy	6 "
C. W. Hillard, by J. L. Greatsinger, proxy	6 "
Total shares represented	30,000

Special Directors' Meeting Dec. 9, 1901.

* * * * * *

On motion duly made and seconded, the following resolution was unanimously adopted, to wit:

RESOLVED, By the Board of Directors of The Duluth & Iron Range Railroad Company, That a Dividend (No. 3) of Sixty percent, or $60.00 per share, be and the same is hereby declared upon each and every share of the Capital Stock of this Company outstanding, payable by the Treasurer of the Company, at the office of the Company in the City of Chicago, Illinois, on Saturday the 14th day of December, 1901, to stockholders of record at the close of business this day.

* * * * * *

Special Directors' Meeting, September 1, 1903.

* * * * * *

On motion duly made and seconded, it was unanimously

RESOLVED, By the Board of Directors of The DULUTH & IRON RANGE RAILROAD COMPANY, That a Dividend (No. 4) of One Hundred Percent., or $100.00 per share, be and the same is hereby declared upon each and every share of the Capital Stock of this Company outstanding, payable by the Treasurer of the Company, at the office of the Company, in the city of Chicago, Illinois, on Wednesday, the second day of September, 1903, to stockholders of record at the close of business this day.

* * * * * *

Special Directors' Meeting, December 11, 1903.

* * * * * *

On motion duly made and seconded, it was unanimously

RESOLVED, by the Board of Directors of The Duluth & Iron Range Railroad Company, That a Dividend (No. 5) of Fifty Percent., or $50.00 per share, be and the same is hereby

declared upon each and every share of the Capital Stock of this Company outstanding, payable by the Treasurer of the Company, at the office of the Company, in the city of Chicago, Illinois, on Monday, the 14th day of December, 1903, to stockholders of record at the close of business this day.

* * * * * *

Special Directors' Meeting, October 19, 1911.

* * * * * *

On motion, regularly made and seconded, it was duly and unanimously

RESOLVED. (1) That all points on the Vermilion and Missabe iron ranges reached by the lines of this Company be and hereby they are included in one zone or district for the purpose of establishing rates upon iron ore over the lines of this Company to Two Harbors and Duluth, Minnesota, respectively; and

(2) That the rates upon iron ore from all points on the Vermilion and Missabe iron ranges reached by the lines of this Company to Two Harbors and Duluth, Minnesota, respectively be and hereby they are reduced to sixty cents (60c.) per gross ton, and that the proper officers of the Company be and hereby they are directed to file the required tariffs with the Interstate Commerce Commission, and to take any and all other action necessary or deemed advisable by counsel to make effective this reduction in rates.

The following Minutes of the Stockholders and directors of the Sharon Steel Company (Record, page 650 to page 653), are offered in evidence by the Petitioner under the foregoing Stipulation, dated June 26, 1912 (page 359), for all purposes for which said Minutes are competent and relevant:

Each and all of said minutes are objected to by Counsel for said Defendants on the ground of incompetency, irrelevancy and immateriality.

(Meeting August 2, 1902.)

STOCKHOLDERS' MEETING OF THE SHARON STEEL COMPANY, SHARON, PENNSYLVANIA, August 2nd, 1902.

Present: DARR, STEVENSON, WHITLA SHIELDS G H FLYNN, ADAMS, STEINER LEWIS FAHLINE (*sic*.).

On motion, Mr. Darr acted as Chairman and Mr. Harris acted as Secretary of the meeting.

The Chairman stated that the meeting had been called for the purpose of voting for or against the proposition to increase the capital stock of the Company from five millions to six millions of dollars. The Secretary stated that notice of the meeting had been given to the stockholders by publication for sixty days in the "Sharon Eagle," a newspaper of general circulation, published in Mercer County, and likewise stated that a majority of the stock of the Company was represented either by the stockholders present or by proxies. After some discussion, the following Resolution was, on motion of George H. Flinn (sic), seconded by W. H. Lewis, unanimously adopted:

RESOLVED,

That the Board of Directors be and they are hereby authorized and directed to increase the capital stock of the Company from five millions to six millions of dollars; said increase of capital to be used for the purpose of completing such plants of the Company as are now in course of erection, and for providing sufficient working capital.

* * * * *

DIRECTORS' MEETING OF THE SHARON STEEL COMPANY, SHARON, PENNSYLVANIA, AUGUST 2ND, 1902.

Present: Messrs. Darr, Stevenson, Whitla, Lewis & Fahnline. Mr. Darr presided and Mr. Harris acted as Secretary of the meeting.

The Secretary presented to the meeting a copy of the Resolution of the stockholders, authorizing the increase of the capital stock of the Company from five millions to six millions of dollars, as also duplicate Returns of the Judges of Election, showing that a majority of the stock of the Company had been voted in favor of the increase of the capital stock of the Company from five millions to six millions of dollars. On motion of Mr. Fahnline, seconded by George H. Flinn, it was

RESOLVED,

That the capital stock of the Company be increased from five millions to six millions of dollars, the said increase of one million dollars to be offered to the stockholders of the Company at par; payments upon said stock to be made as follows:

25%, August 15.
25%, September 15th.
25%, October 15th.
25%, November 15th.

All payments anticipated after August 15th to be discounted at the rate of 5% per annum.

The books in the hands of The Union Trust Company's Transfer Agent to close for transfer of stock on August 7th, 1902.

There being no further business, the meeting adjourned.

T. A. HARRIS

* * * * *

SHARON, PA., SEPTEMBER 27TH, 1902.

The Directors of The Sharon Steel Company met at the office of the Company on the above date, with Messrs. Darr,

Stevenson, William Flinn, Shields, Bryden, G. H. Flinn, Lewis, Whitla and Fahnline present.

* * * * *

CONTRACTS.

On motion of Senator Flinn, seconded by Peter Shields, it was

RESOLVED,

That the Executive Committee let all contracts at once for No. 3 Blast Furnace.

A call for vote resulted in a unanimous vote, all directors being present.

* * * * *

SHARON, PENNSYLVANIA, OCTOBER 2ND, 1902.

The Directors of The Sharon Steel Company met at the office of the Company on the above date, with Messrs. Stevenson, William Flinn, Whitla, Lewis and Fahnline present.

* * * * *

On motion of J. P. Whitla, seconded by W. H. Lewis, it was Resolved, That The Sharon Steel Company sell to Hon. William Flinn, $3,000,000.00 bonds, as follows:

First Mortgage $3,000,000.00 5-20 years gold bonds 5% free of tax; First Mortgage on Sharon Ore & Furnace Company, two furnaces and all ore property. $1,500,000.00 of bonds, redeemable at 102 after 5 years, the remaining $1,500,000.00 to be redeemable after 10 years at 100, as the Sharon Ore & Furnace Company may elect. Principal and interest of bonds guaranteed by The Sharon Steel Company. Mortgagor to provide annual sinking fund of 25 cents per ton on all ore mined. Company to pay Trustee not less than $100,000.00 per year on account of sinking fund; the bank to pay to the credit of the sinking fund 3% interest on daily balances. William Flinn to pay 95 flat for $3,000,000.00 of bonds dated November 1st, 1902; all the proceeds of the

bonds, amounting to $2,850,000.00 to be placed in such bank as William Flinn shall designate, to the credit of the Sharon Furnace Company, at 2½% interest on daily balances; the Sharon Furnace Company agreeing not to check on any of the money before January 15th, 1903. At that time they shall pay out of the moneys, $275,000 per month for five months to retire the bills payable of the Sharon Steel Company, and the remaining amount, approximating $1,500,000, shall be checked out as the work progresses in the building of the furnaces, and the balance when furnaces are completed and paid for.

A call for vote was made, which resulted as follows:

AYES.	NAYS.
Stevenson,	
Wm. Flinn,	
Lewis,	
Fahnline,	
Whitla.	

POLICY ON NAILS & WIRE, IN VIEW OF RECENT CUT.

Mr. Whitla stated that the American Steel & Wire Co. has reduced the price on:

	To
Nails	$1.85 Base
Wire	1.75
Galv. Wire	2.45
Galv. Barbed Wire	2.15

and it was determined that we should meet this price.

There being no further business, the meeting adjourned.

T. A. HARRIS,
Secretary.

The following Minutes of the Stockholders and Directors of Lake Superior Consolidated Iron Mines (Record, page 654 to page 702), are offered in evidence by the Petitioner under the foregoing stipulation, dated June 26, 1912 (page 359), for all purposes for which said Minutes are competent and relevant:

Each and all of said minutes are objected to by Counsel for said Defendants on the ground of incompetency, irrelevancy and immateriality.

Directors' Meeting, Sept. 8, 1893.

* * * *

The following resolution was offered by Mr. Wilson and seconded by Mr. Keasbey

RESOLVED:—THAT the agreement bearing date August 28, 1893, between Leonidas Merritt; Andrus R. Merritt; John E. Merritt, Lewis J. Merritt, Napoleon B. Merritt, Eugene T. Merritt, Cassius C. Merritt and Andrus R. Merritt, co-partners doing business under the firm name of C. C. & A. R. Merritt, Lewis J. Merritt and Hulett C. Merritt, co-partners doing business under the firm name of L. J. Merritt & Son, and Napoleon B. Merritt and Eugene T. Merritt, co-partners doing business under the firm name of N. B. & E. T. Merritt, all of Duluth in the State of Minnesota, and Charles W. Wetmore, of the City of New York, parties of the first part; John D. Rockefeller of the City of New York, party of the second part, and the Lake Superior Consolidated Iron Mines, party of the third part, just presented to this Board, be and the same hereby is adopted and ratified on the part of the Lake Superior Consolidated Iron Mines, (*sic*) That the President be, and hereby is authorized to execute the same on behalf of this Company, and that the Secretary be, and he hereby is authorized to affix the Corporate seal hereto. That the agreement be entered in full upon the minutes of the Board: That the executive officers of the Company be,

and they hereby are authorized, and directed to, carry out the terms of said agreement on the part of this Company.

AFTER DISCUSSION the yeas and nays being called for, the Secretary called the roll. All the Directors voting yea, the resolution was declared unanimously adopted.

THE AGREEMENT mentioned in the foregoing resolution is as follows:

AGREEMENT, made this 28th day of August, 1893, between Leonidas Merritt, Alfred Merritt, Cassius C. Merritt, Andrus R. Merritt, John E. Merritt, Lewis J. Merritt, Napoleon B. Merritt, Eugene T. Merritt, Cassius C. Merritt and Andrus R. Merritt, co-partners doing business under the firm name of C. C. & A. R. Merritt, Lewis J. Merritt and Hulett C. Merritt, co-partners doing business under the firm name of L. J. Merritt & Son, and Napoleon B. Merritt and Eugene T. Merritt, copartners doing business under the firm name of N. B. & E. T. Merritt, all of Duluth in the State of Minnesota, and Charles W. Wetmore of the City of New York, hereinafter called Messrs. MERRITT AND WETMORE, PARTIES OF THE FIRST PART; John D. Rockefeller of the City of New York, hereinafter called Mr. ROCKEFELLER, PARTY OF THE SECOND PART, and the Lake Superior Consolidated Iron Mines, hereinafter called the CONSOLIDATED MINES, PARTY OF THE THIRD PART.

CONTRACTS have been made between Leonidas Merritt and Charles W. Wetmore of the first part, and John D. Rockefeller, of the second part, under date of July 1, 1893, July 14, 1893, July 15, 1893, July 27, 1893 and August 12, 1893. To SOME OF THESE CONTRACTS the New York & Missabe Iron Company is a party of the third part. ALL of said contracts, as modified by this instrument, are hereby ratified and confirmed, the parties of the first part hereto standing in the place of said Leonidas Merritt and Charles W. Wetmore, and the Consolidated Mines in the place of the New York and Missabe Iron Company. BESIDES the said contracts, the parties hereto have now made further agreements. IT IS INTENDED to include in this instrument all the existing agree-

ments between the parties, either by express statement herein, or by direct reference to other written agreements.

Mr. ROCKEFELLER HAS, since July 1, 1893, made or agreed to make, cash loans to Messrs. Merritt and Wetmore and to the Duluth, Missabe & Northern Railway Company of Nine hundred and seventy-five thousand dollars; has, at the request of Messrs. Merritt and Wetmore, agreed in Article Sixth hereof, to advance Five hundred thousand dollars for the relief of the said Railway Company, and negotiations are now in progress for the purchase by him from the Mountain Iron Company of the total output of the Mountain Iron Mines, from the date hereof until the close of navigation in 1893 (expected to be about three hundred thousand tons of Bessemer Iron Ore) and for the hauling of the said ore from the mines to Duluth by the said Railway Company.

Now, in consideration of the premises and of the mutual promises of this agreement,

IT IS HEREBY COVENANTED AND AGREED between the said parties, as a re-statement of the subsisting parts of the agreements above recited and as an amendment or supplement thereto, as follows:

I. Messrs. MERRITT AND WETMORE and the Consolidated Mines covenant and agree that the Consolidated Mines will forthwith acquire the following named interests in the following mentioned properties, hereinafter set forth, to wit:

SIXTY-ONE (61) PERCENT of the capital stock of the MOUNTAIN IRON COMPANY, at the rate of Three million five hundred thousand dollars for the entire property.

FIFTY-ONE (51) PERCENT of the capital stock of the MISSABE MOUNTAIN IRON COMPANY, at the rate of One million seven hundred and fifty thousand dollars for the entire property.

FIFTY-ONE (51) PERCENT of the capital stock of the BIWABIK MOUNTAIN IRON COMPANY, at the rate of Two million two hundred and fifty thousand dollars for the entire property.

SEVENTY-FIVE (75) PERCENT of the Capital Stock of the MISSABE & NORTHERN TOWN SITE COMPANY (the owner of the Rath-

burn Mine) at the rate of Two million two hundred and fifty thousand dollars for the entire property.

THE ENTIRE CAPITAL STOCK of the NEW YORK AND MISSABE IRON COMPANY (owner of the Lake Superior Mine and the Day lands) for Three hundred and seventy five thousand dollars.

FIFTY-ONE (51) PERCENT of the Capital Stock of the ADAMS MINING COMPANY for One million two hundred and twenty thousand dollars.

THE ENTIRE CAPITAL STOCK of the LONE JACK IRON COMPANY for Five hundred thousand dollars, or the assignment of satisfactory leases of the entire property of the said Company for the same sum.

SEVENTY-FIVE (75) PERCENT of the Capital Stock of the Shaw Mining Company, at the rate of Four hundred thousand dollars for the entire property.

II. Messrs. MERRITT AND WETMORE agree to transfer to the Consolidated Mines, on the terms above mentioned, not only the percentages above mentioned, but also any excess above such percentages they now own in the said properties. The obligation of the Consolidated Mines to take Stock of the said Companies or interests in the said properties is limited to the percentages above specified and to the said present holdings, if any, in excess of such percentages, of Messrs. Merritt and Wetmore. The Consolidated Mines may at its option determine to acquire further interests in the said stocks and properties, but the terms of purchase shall not be taken as fixed hereby, but shall be determined by the Consolidated Mines.

III. THE CONSOLIDATED MINES will pay for the properties above mentioned, in its capital stock, at the rate of fifty per cent. of the par value thereof, that is to say, two dollars of such capital stock for every dollar of cash valuation as stated above; except that, if Mr. Rockefeller shall acquire the interest above specified in the Adams Mining Company and in the Lone Jack Iron Company, under the contract between L. Merritt, C. W. Wetmore and Mr. Rockefeller, dated July

14, 1893, the Consolidated Mines will pay therefor, in its first mortgage bonds hereinafter mentioned, at the par value thereof, and will pledge with Mr. Rockefeller the said stock of the Adams Mining Company and of the Lone Jack Iron Company, in the same manner as hereinafter provided with respect to the properties mentioned in Schedule A hereto annexed.

IV. Mr. Rockefeller is the owner of the following stocks, collateral trust notes, debenture bonds and first mortgage bonds, to wit:

28350 shares of the capital stock of the Aurora Mining Company, of the par value of...$	708,250.00
8664 311/450 shares of the capital stock of the Penokee and Gogebic Consolidated Mines, of the par value of	866,469.11
21626 shares of the capital stock of the Spanish American Iron Company, of the par value of	1,081,300.00
7001 shares of the capital stock of the Minnesota Iron Company, of the par value of.....	700,100.00
He likewise controls	
728 shares of the capital stock of the West Superior Iron & Steel Company, of the par value of	72,800.00
And also owns the following	
300 collateral trust notes for $1000 each of the Penokee & Gogebic Consolidated Mines of the par value of.....	300,000.00
93 debenture bonds of the Spanish American Iron Company of the par value of.....	93,000.00
and 640 first mortgage bonds of the West Superior Iron & Steel Company of the par value of	640,000.00
making a total par value of	$4,361,919.11

Messrs Merritt and Wetmore and the Consolidated Mines desire to bring about a consolidation of all interests in this instrument before referred to.

All the properties in this Article mentioned as belonging to or controlled by Mr. Rockefeller have cost him, principal

and interest, as of September 1, 1893, less dividends and interest received $2,719,154.48.

THE TOTAL AMOUNT to be allowed Mr. Rockefeller for the said properties, under this contract will be $3,019,860.53 in convertible bonds of the Consolidated Mines.

Messrs. MERRITT AND WETMORE and the Consolidated Mines agree that the Consolidated Mines will forthwith as of September 1, 1893, purchase from Mr. Rockefeller all his mining interests specified in Schedule A, at the cost thereof to him, as stated in said Schedule. THE PURCHASE price of the said interests will be paid in first mortgage bonds of the Consolidated Mines at ninety percent of the par value thereof and accrued interest. Mr. ROCKEFELLER may, at his option, exercised at any time within three years from September 1, 1893, sell to the Consolidated Mines, and, in case of his election so to sell, it agrees to thereupon buy from him, and Messrs. Merritt and Wetmore agree that it will so buy from him, the shares of stock in the Minnesota Iron Company described in Schedule B hereto annexed, at the cost thereof to Mr. Rockefeller September 1, 1893, as stated in said Schedule B with interest added thereon at the rate of six percentum per annum to the date of payment therefor. THE PURCHASE PRICE thereof shall be paid in the said first mortgage bonds of the Consolidated Mines at ninety percent of the par value thereof and accrued interest.

Messrs. MERRITT AND WETMORE and the Consolidated Mines agree that the Consolidated Mines will forthwith and as of September 1, 1893, purchase from Mr. Rockefeller the said 640 bonds for $1,000 each, of the West Superior Iron & Steel Company, and the said shares of stock therein, and will pay therefor in first mortgage bonds of the Consolidated Mines at the par value of said bonds, bond for bond, and accrued interest.

IT IS FURTHER AGREED that if the coupons of the said Steel Company due November 1, 1893, are not paid Mr. Rockefeller will cancel and return to the Consolidated Mines the coupons due March 1, 1894, on the bonds of the Consolidated Mines paid to him for said Steel Company's bonds;

and in like manner, if the Coupons on the Steel Company's bonds due May 1, 1894, are not paid Mr. Rockefeller will cancel and return to the Consolidated Mines the Coupons due September 1, 1894, on the bonds of the Consolidated Mines paid to him therefor. If some of the Steel Company's said coupons are paid and some unpaid, the cancellation and return of coupons of the Consolidated Mines shall be in like proportion, all said unpaid Steel Co. coupons to be returned to Mr. Rockefeller.

It is further mutually agreed that Mr. Rockefeller may, at his option, exercised at any time before May 1, 1894, sell to the Consolidated Mines, and that, if he so exercises his option, the Consolidated Mines will buy of him forty additional first mortgage bonds for $1,000 each, of the West Superior Iron & Steel Company, and that the Consolidated Mines will pay therefor in its first mortgage bonds at the par value thereof, bond for bond, and with the like understanding as to coupons as is above stated with respect to the coupons on 640 of said Steel Company's bonds.

It is further understood and agreed that all bonds of the Consolidated Mines paid for bonds of the West Superior Iron & Steel Company hereunder shall not be convertible into stock of the Consolidated Mines, and that the said bonds shall be so stamped.

All the stocks and securities enumerated in Schedule A and Schedule B, and the said bonds and stock of the West Superior Iron and Steel Company, and the said stock of the Adams Mining Company, and the Lone Jack Iron Company, when and as transferred by Mr. Rockefeller under the terms hereof, shall be re-delivered to and remain with him, as trustee, as additional collateral security for the payment of the bonds of the Consolidated Mines paid to him therefor, to be be (*sic*) released, pro rata, in amounts to be agreed upon between the parties hereto, as the bonds of the Consolidated Mines are either paid or converted into Stock. This covenant with respect to retaining securities as additional collateral is personal to Mr. Rockefeller, his Executors and Administrators, and shall not inure to the benefit of any person to whom he or they may sell said bonds, and, in case of such sale he shall

deliver to the Consolidated Mines a proportionate part of the securities held in pledge by him, corresponding to the amount of bonds of the Consolidated Mines so sold by him.

V.—Messrs. Merritt and Wetmore agree to sell or cause to be sold forthwith, to Mr. Rockefeller, at his option, exercised on or before the 1st day of March 1894, a sufficient amount of the Capital Stock of the Duluth Missabe and Northern Railway Company, which taken with the amount of said stock already owned by him and by the said Wetmore, shall make the interest of Mr. Rockefeller and of the said Wetmore equal to one-half of the entire capital stock outstanding of said Railway Company, after deducting therefrom the amount of said stock now outstanding in the name of W. L. Brown, of Chicago, Illinois, and also the amount of said stock owned by the members of the syndicate represented by C. W. Wetmore, as Trustee, under contract with said Railway Company and others, dated December 24, 1892 (other than Mr. Rockefeller and C. W. Wetmore individually). The said stock shall be sold to Mr. Rockefeller at the actual cost thereof to the present owners thereof, with six per cent. per annum interest added to the date of payment therefor. The effect of carrying out this covenant is intended to be that on the one hand Mr. Rockefeller together with said Wetmore will own one-half of the capital stock of said Railway Company, after making the deductions aforesaid, but that the other half will be owned by the said parties of the first part hereto, other than C. W. Wetmore, and all upon the same basis of actual cost.

It is further mutually agreed that, of all future issues or purchases of stock of said Railway Company, Mr. Rockefeller shall have the option to take, at cost, one-quarter and Mr. Wetmore one-quarter, and that the parties of the first part hereto, other than Mr. C. W. Wetmore shall have the option to take at cost the other half thereof, and that these options shall apply to all stock of the Company acquired or purchased by any or all of the said parties.

It is further mutually covenanted that, upon the carrying out of the arrangement provided for in this Article, all the said shares of stock in said Railway Company owned by

the parties to this agreement shall be placed in the hands of Leonidas Merritt, Alfred Merritt, Charles W. Wetmore and Fred T. Gates, as Trustees, to hold the irrevocable voting power thereon for all purposes whatsoever, the beneficial interests in said shares of stock to be represented by the Certificates of the said Trustees in such form as shall be approved by the parties hereto and their counsel.

VI.—Mr. Rockefeller agrees to purchase good and valid obligations of the Duluth, Missabe and Northern Railway Company as follows: He will purchase such obligations so far as may be necessary to the extent of one hundred thousand dollars in the first month after he shall be under obligation to make any payment under this Article, and Fifty thousand dollars, or so much thereof as shall be necessary, in each month for eight succeeding months, not to exceed in all Five hundred thousand dollars, but he shall not be under obligation to make any payment under this Article until and unless Messrs. Merritt and Wetmore shall forthwith fully comply with the terms of this contract and of the contracts hereby amended and supplemented as to the acquirement by the Consolidated Mines of the several percentages of the stocks or properties of the several mining companies in this agreement mentioned; or Messrs. Merritt and Wetmore shall produce to him, evidence satisfactory to him that the same will be immediately fulfilled. The payment for the first month shall be made forthwith upon compliance by Messrs. Merritt and Wetmore with these requirements.

The Consolidated Mines agrees to purchase from Mr. Rockefeller the said obligations of the Railway Company as fast as he shall offer the same to it, and to pay him therefor in the demand promissory notes of the Consolidated Mines, and to pledge with him the said obligations, and its first mortgage bonds at fifty per cent. of the par value of the bonds, as collateral security for the payment of the notes.

On payment by Mr. Rockefeller of the first Fifty thousand dollars under this Article hereof, he shall be relieved, and is hereby released and relieved from all obligation under any existing contract to buy stock of the Duluth, Missabe &

Northern Railway Company; but all existing options on said stock in his favor shall remain in force.

VII.—ALL THE PARTIES to this contract, other than the Consolidated Mines, agree to sell to the Consolidated Mines, and it agrees to buy all the stock, or Trustees' Certificates of beneficial interests in stock, of the Duluth, Missabe & Northern Railway Company, now or hereafter owned by them at the price of two shares of the capital stock of the Consolidated Mines for one share of the capital stock of the said Railway Company, and, in case Messrs. Merritt & Wetmore can deliver all or any part of the remaining capital stock of said Railway Company not now owned or controlled by them, the Consolidated Mines will purchase the same at the same rate.

VIII.—THE SAID BONDS and mortgage of the Consolidated Mines shall be substantially in the form already agreed upon between the parties and now in print. If any changes are made, they shall be satisfactory to Mr. Rockefeller and his counsel. Said mortgage shall be a first lien upon all the property of the Consolidated Mines now owned or hereafter acquired. All legal questions with respect to the corporate organization and powers of the Consolidated Mines and of the Companies whose stock or securities are to be acquired by the Consolidated Mines, as in this agreement set forth, and the corporate or other action authorizing or ratifying this contract, and the form and execution of the said bonds and mortgage, and the title of the various companies herein named to the mines and property herein represented to belong to them and the form of all instruments and securities named herein will be subject to the approval and settled to the satisfaction of the counsel of Mr. Rockefeller.

MR. ROCKEFELLER, being largely interested in the success of the Consolidated Mines, as shown by the terms of this indenture, it is agreed between the parties hereto, that while the Board of Directors of the Consolidated Mines, consists of five members, two of them shall be persons named by Mr. Rockefeller, and that if the number of Directors is increased to seven, three of the seven shall be persons named by Mr. Rockefeller, and that the first Vice-President, Treasurer, As-

sistant Treasurer in Duluth, Secretary and General Counsel shall be persons named by Mr. Rockefeller, this provision to continue in force so long as Mr. Rockefeller shall hold bonds under the said mortgage.

IX.—In further pursuance of the plan partially formulated in this instrument, it is intended to consolidate with the Consolidated Mines the control of a majority interest in the following additional properties, situated on the Missabe Iron Range, Minnesota, to wit:

1. The property of the McKinley Iron Company.
2. The property of the Midway Company
3. The property of the Great Northern Mining Company
4. The property of the Great Western Mining Company
5. The property of the New England Iron Company
6. The property of the Franklin Iron Company

7. All other properties of the Missabe Range the control of which has been or hereafter may be obtained by the Messrs. Merritt and Wetmore and their associates.

8. Also the controlling interest in all the properties specified in said Schedule A.: It being mutually covenanted and agreed that the terms upon which further interests in the Companies mentioned in Schedule A may be acquired by the Consolidated Mines, or Messrs. Merritt and Wetmore, shall be expressly subject to the written approval of Mr. Rockefeller, first had and obtained.

X. The Consolidated Mines joins in the execution of this agreement, and thereby binds itself to fulfil the provisions thereof, so far as they affect such company.

XI. This agreement shall be binding upon the parties executing the same, their executors, administrators, successors and assigns.

IN WITNESS WHEREOF the parties hereto have executed these presents the day and year first above written.

Signed, Sealed and Delivered
in the presence of

as to J. D. ROCKEFELLER and L. MERRITT
GEO. WELWOOD MURRAY

JOHN D. ROCKEFELLER Seal
LEONIDAS MERRITT Seal
CHARLES W. WETMORE Seal
NAPOLEON B. MERRITT Seal
N. B. & E. T. MERRITT Seal

as to Charles W. Wetmore, Napoleon B. Merritt, N. B. & E. T. Merritt, Eugene T. Merritt & Alfred Merritt Herbert L. Satterlee as to Hulett C. Merritt, L. J. Merritt & Son, Lewis J. Merritt, Andrus R. Merritt, Cassius C. Merritt & C. C. & A. R. Merritt F. T. Gates

ALFRED MERRITT Seal
EUGENE T. MERRITT Seal
by N. B. MERRITT
HULETT C. MERRITT Seal
L. J. MERRITT & SON Seal
LEWIS J. MERRITT Seal
ANDRUS R. MERRITT Seal
CASSIUS C. MERRITT Seal
(as to John E. Merritt) C. C. & A. R. MERRITT Seal
F. T. Gates JOHN E. MERRITT Seal
(as to Lake Superior Consolidated Iron Mines)
GEO. WELWOOD MURRAY

LAKE SUPERIOR CONSOLIDATED I MINES
by LEONIDAS MERRITT
SEAL President

Attest
A. C. WETMORE,
Secretary.

SCHEDULE "A"

being as of September 1st, 1893.		
Aurora Iron Mining Co	28350 shrs	$203988.54
Penokee & Gobegic (sic) Cons'd Mines	8664 311/450	679906.47
Penokee & Gogebic Con'sd Mines Collateral Trust Notes	300 M	251123.75
Spanish American Iron Co	21626 shrs	522358.40
do do	93 M	76477.65
		$1733854.81

SCHEDULE "B"

Minnesota Iron Co	7001 Shrs	$396.499.67
		$2130354.48

* * * *

Directors' Meeting Jan. 8, 1895.

* * * *

THE TREASURER ALSO REPORTED that remitted to Mr Geo. D. Swift, Ass't Treasurer at Duluth, the sum of $6000 on December 31st 1894 wherewith to pay the ROYALTIES due on that day on four leases of LAKE SUPERIOR MINES that he had borrowed the same sum from Mr. John D. Rockefeller and had given to Mr. Rockefeller the promissory note of Lake Superior Consolidated Iron Mines payable on demand and bearing interest at the rate of six per centum per annum.

ON MOTION of Mr. Murray seconded by Mr. Rogers it was

RESOLVED that the ACTS OF THE TREASURER as above reported be and the same are hereby FULLY RATIFIED AND CONFIRMED and adopted as the action of this Board of Directors.

ON VOTE BEING taken the result was UNANIMOUSLY in favor of the resolution, all the members of the Board present voting "Aye".

THE PRESIDENT reported that he had distributed the EXPENSES OF the OFFICES of LAKE SUPERIOR CONSOLIDATED IRON MINES in NEW YORK and DULUTH for the last financial year, according to the following schedule of proportions which each of the properties controlled by Lake Superior Consolidated Iron Mines, is to pay:

Lake Superior Operating Contract	15%
Great Northern Mining Company	2½%
Great Western Mining Company	5%
Shaw Iron Company	2½%
Biwabik Mountain Iron Company	10%
Missabe Mountain Iron Company	10%
Adams Mining Company	15%
Mountain Iron Company	25%
M. & N. Townsite Co. (Rathbun Mine)	15%

ON MOTION OF Mr. SCHEIDE, seconded by Mr. Merritt, it was,

RESOLVED that the ACTION OF THE PRESIDENT in pro-rating the expenses of the Consolidated Mines among the above named constituent companies, be and the same is hereby RATIFIED AND CONFIRMED. ON MOTION OF Mr. MURRAY, seconded by Mr. Rogers the Board adjourned.

CHAS. E. SCHEIDE,
Secretary.

(Directors' Meeting, New York, January 15, 1895.)

* * * * * *

THE STATED MEETING of the Board of Directors of Lake Superior Consolidated Iron Mines was held this day at 1 o'clock P. M.

PRESENT: GEO. D. ROGERS, VICE PRESIDENT, GEO. WELWOOD MURRAY, CHAS. E. SCHEIDE and EDWARD V. CABY.

IN THE ABSENCE OF THE PRESIDENT, the Vice President, Mr. Rogers, occupied the chair.

THE MINUTES of the Directors' meetings of December 24, 1894, and January 8, 1895, were read and approved.

THE TREASURER REPORTED that he had paid to GEO. WELWOOD MURRAY, ESQ., General Counsel, the sum of $718.65 for services and disbursements, for account of ADAMS MINING COMPANY, in the matter of a reduction of royalty on the Adams Mine, and had loaned the same to the Adams Mining Company on the usual terms. THE TREASURER ALSO REPORTED that he had paid to MR. MURRAY the sum of $1414.17 for services and disbursements in the matter of the litigation of Leonidas Merritt against the BIWABIK MOUNTAIN IRON COMPANY, endorsing the payment upon the note of the Consolidated Mines to the Biwabik Mountain Iron Company for $32,500.

THE TREASURER FURTHER REPORTED that he had paid to GEO. WELWOOD MURRAY, ESQ., General Counsel the sum of $446.55 for disbursements made by Mr. Murray for account of LAKE SUPERIOR CONSOLIDATED IRON MINES during the years 1893 and 1894.

ON MOTION OF MR. SCHEIDE seconded by Mr. Cary it was

RESOLVED that the Treasurer is hereby authorized to borrow from Mr. John D. Rockefeller the sum of $48,046.30 and to give to Mr. Rockefeller the promissory note of this Company payable on demand and bearing interest at the rate of 6% per annum for the same.

ON THE FOREGOING RESOLUTION the vote was UNANIMOUS, all the members of the Board present voting "Aye".

ON MOTION OF MR. SCHEIDE, seconded by Mr. Cary it was

RESOLVED that the Treasurer be and he hereby is authorized to loan to the MOUNTAIN IRON COMPANY on the usual terms, the sum of $16,096.85; to loan to the ADAMS MINING COMPANY on the usual terms the sum of $5066.64; to loan to the MISSABE and NORTHERN TOWNSITE COMPANY on the usual terms the sum of $12174.83; to loan to THE GREAT NORTHERN MINING COMPANY, on the usual terms the sum of $25.32 and to loan to the GREAT WESTERN MINING COMPANY on the usual terms the sum of $1548.63 whereby the above mentioned com-

panies may be enabled to pay their bills audited and pay rolls for the month of December 1894.

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(Stockholders' Meeting, Feb. 19, 1895.)

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CHARLES E. SCHEIDE, TREASURER.

IN ACCOUNT WITH LAKE SUPERIOR CONSOLIDATED IRON MINES TO CASH RECEIVED FROM

Balance Cash on hand Feb. 20, 1894	1,633.21	
Loans Bills Payable	733,806.64	
" Operating Contract L. S. Iron Co.	98,290.00	
" Span. American Subn. Agreement	64,047.40	
Sundry accounts	3,955.46	
Missabe & Northern Townsite Co.	295.90	
Mountain Iron Co.	7,837.67	
Biwabik Mountain Iron Co.	33,603.36	
Missabe Mountain Iron Co.	77,950.15	
Adams Mining Co.	1,251.87	
Great Northern Mining Co.	88.84	
Great Western Mining Co.	6.00	
Lake Superior Mine	751.27	
		$1,023,517.77

BY CASH PAID TO

Expense	12,832.62
Salaries	14,668.76
Interest	102,597.00
Royalties	38,505.61
Lake Superior Operating Contract	98,290.00
Spanish American Iron Co.	63,500.00
Sundry Accounts	3,314.84
Bills Payable	183,263.13
Mountain Iron Co.	326,104.38
Missabe & Northern Townsite Co.	42,246.43

Furniture	16.75	
Biwabik Mountain Iron Co.	13,615.92	
Missabe Mountain Iron Co.	75.00	
Adams Mining Co.	11,507.96	
Great Northern Mining Co.	327.35	
Great Western Mining Co.	18,059.45	
Shaw Iron Co.	35,723.90	
Ass't Treasurer for Sundry acc'ts.	47,970.73	
Cash on hand in Bank of New York Jan. 1/95	10,897.94	
		$1,023,517.77

Respectfully submitted,
CHAS. E. SCHEIDE,
Treasurer.

(Directors' Meeting, February 17, 1899.)

* * * * *

On motion of Mr. Murray, seconded by Mr. Rockefeller, it was

RESOLVED, that the purchase by this Company from the BIBAWIK (sic) MOUNTAIN IRON CO., of its entire lands and other property for the sum of $1,239,317.91, and the action of the Executive officers of this Company in connection therewith, now reported to this Board, be and the same are hereby ratified, approved and confirmed.

* * * * *

On motion of Mr. Murray, seconded by Mr. Rockefeller, it was

RESOLVED, that the purchase by this Company from the Missabe Mountain Iron Co. of its entire lands and other property, for the sum of $1,213,980. and the action of the Executive Officers of this Company in connection therewith, now reported to this Board be, and the same are hereby ratified, approved and confirmed.

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(Directors' Meeting, July 31, 1899.)

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The Vice President laid before the Board a form of relinquishment of the mining leases heretofore held by this Company and known as Hull Leases No. 1 and No. 2 of Lake Superior Iron Mines and also the lease of the property known as the Sellers Mine.

On motion of Mr. Scheide, seconded by Mr. Rockefeller, it was

RESOLVED, that the form of relinquishment now presented to this Board be approved and the Executive Officers of the Company are hereby directed to execute the said relinquishment on behalf of Lake Superior Consolidated Iron Mines.

This resolution was unanimously adopted, all the members of the Board present voting aye.

* * * * *

The Vice President also laid before the Board a copy of a Mining Lease by Morton Denison Hull et als. to Lake Superior Consolidated Iron Mines, embodying the above mentioned released or relinquished property and including leases for additional tracts of land in the words and figures following, to wit:

THIS INDENTURE, made this first day of August in the year of our Lord one thousand eight hundred and ninety-nine, by and between Morton Denison Hull and Katharine B. Hull his wife, Eudora M. Gaylord, formerly Eudora M. Hull and Edward L. Gaylord her husband, all of Chicago, Illinois, Marie M. Owsley formerly Marie M. Boenig and Frederick D. Owsley her husband of Greenwood, Albermarle County, Virginia, Marshall H. Alworth and Nellie Alworth his wife of Duluth, Minnesota, and Frank A. Schulte of Detroit, Michigan, as Guardian of William Edward Boenig and Caroline Marie Boenig, minors as parties of the first part, hereinafter designated as the lessors, and Lake Superior Consolidated Iron Mines, a corporation duly created and existing

under and by virtue of the laws of the State of New Jersey, as party of the second part, hereinafter designated as the lessee, Witnesseth:

That the lessors, for and in consideration of the sum of one dollar and other valuable considerations to them in hand paid by the lessee, the receipt whereof is hereby acknowledged, and in further consideration of the covenants, promises and conditions hereinafter contained, to be kept and performed by the lessee, do hereby let, lease and demise unto the lessee, its successors and assigns, for a term of fifty years (50) from and after the first day of August, A. D. 1899, as to an undivided five sixth (5/6) interest in and of the lands hereinafter described now owned as tenants in common by the lessors other than said Guardian, and for a term of twenty five (25) years from and after the first day of August A. D. 1899, as to the remaining undivided one sixth (1/6) thereof now held and owned as tenants in common by said minors, Caroline Marie Boenig and William Edward Boenig of which interests said Frank A. Schulte, as the duly qualified and acting guardian of said minors, is the lessor, the following described lands situated in the County of St. Louis and State of Minnesota, to wit:

Tract No. 1. Lots number three (3) and four (4) in Section Six (6) in Township fifty-seven (57) North of Range twenty (20) West of the Fourth Principal Meridian, being the same as the North half of the North West quarter (N ½ of N W ¼) of said Section Six (6).

Tract No. 2. The South half of the North East quarter (S ½ of N E ¼) and the North East quarter of the South East quarter (N E ¼ of S E ¼) of Section two (2) in Township fifty seven (57) North of Range twenty one (21) West of the Fourth Principal Meridian.

Tract No. 3. The North West quarter of the South West quarter (N W ¼ of S W ¼) of Section one (1) and the South East quarter of the South East quarter (S E ¼ of S E ¼) of Section two (2), in Township fifty seven (57) North of Range twenty one (21) West of the Fourth Principal Meridian.

Tract No. 4. Lot number two (2) in Section thirty one (31) in Township fifty eight (58) North of Range seventeen (17), West of the Fourth Principal Meridian.

Tract No. 5. Lot number five (5) and the South East quarter of the North West quarter (S E ¼ of N W ¼) of Section six (6) in Township Fifty seven (57) North of Range twenty (20) West, being the South half of the North West quarter (S ½ of N W ¼) of said Section six (6) and heretofore and now platted and known as the "Town of Hibbing." * * *

Said lands are hereby leased by the lessors to the lessee for the purpose of exploring for and mining taking out and removing therefrom the merchantable iron ore (as well as other mineral as hereinafter provided for) which is or which hereafter may be found on in or under said lands together with the right to construct all buildings and to make all excavations openings ditches drains railroads wagon roads and all other improvements upon said lands and premises which are or may become necessary or suitable for the mining or removal of the iron ore therefrom and the carrying on of mining operations thereon and together with the right during the continuance of this lease to cut and use all the timber other than pine which may be upon said lands free and without charge so far as may be necessary for fuel and in the construction of buildings required in the operation of any mine or mines upon said lands, and for drains tramways, supports or shafts of or within any such mine or mines or in connecting the same with any line or lines of railroad over or upon which said ore may be transported.

Provided however that the lessee, its successors and assigns, shall have the right at any time upon thirty days notice to terminate this agreement and lease in so far as it requires the lessee to mine ore on said lands or to pay royalty therefor or to pay taxes thereon by giving written notice in manner as hereinafter provided, to the lessors, or their legal representatives or their assigns who shall in such case acknowledge in writing the receipt of such notice and this lease shall terminate thirty days after the giving of such notice whether so acknowledged or otherwise. All arrearages and sums including taxes which may be due and

payable under this lease up to the time of its termination, as set forth in such notice shall be paid within thirty days after such termination, and the lessee its successors or assigns, upon such termination shall immediately execute and record a formal relinquishment of such lease in the office of the Register of Deeds of said County of St. Louis. Such notice of termination may be delivered personally to the lessors, or their legal representatives, or their assigns, or it may be given by registered letter mailed from any post office in the United States, postage prepaid and addressed to the lessors, or their legal representatives or their assigns at their last known respective places of residence.

The lessors hereby further agree that the lessee its successors and assigns, shall have the right to assign this lease, or contract with others to work any mine or mines which are now or may be hereafter discovered upon said lands, or sub contract or sub-let the same, at its or their option, with the same rights and privileges as are herein granted to the lessee, it being expressly understood, however, that any such assignment shall not operate as a release or discharge of the lessee from the performance of the conditions of this lease until and unless the lessors shall specifically consent to said assignment in writing.

The lessee for itself, its successors and assigns hereby covenants and agrees to and with the lessors that the lessee will pay to the lessors on the last day, or within ten days next thereafter of each and every month preceding January first A. D. 1900, for all ore mined and removed from said lands during each said month for which payment is to be made a royalty of twenty-five (25) cents per ton for all ore so taken out mined and carried away from said other lands and premises, and that the lessee will from and after January 1, 1900 on or before the tenth days of January, April, July and October in each calendar year of the term covered by this lease, or during the period of time for which this contract and lease continues in force pay to the lessors for all iron ore which shall be mined and removed from said lands during the three (3) calendar months next preceding the first day of the month in which payment is to be made, as aforesaid, a royalty at and of twenty five (25) cents per

ton for all iron ore so taken out, mined and carried away from all said lands and premises, each ton in all cases to be reckoned at 2,240 pounds.

Provided however that until January 1, 1900, the lessee shall not be required to mine and remove from said lands in excess of 90,000 gross tons, 20,000 gross tons of which shall be mined from tract No. 2 and 20,000 gross tons of which shall be mined from tract No. 3 or if not mined advance royalties shall be paid thereon for which advance royalties so paid ore may be mined and carried away in the manner hereinafter provided without additional payment: and provided further that for and on account of advance royalties heretofore paid and to be paid by the lessee to the lessors under and by virtue of a certain mining lease upon said tract No. 3 heretofore given by the lessors and owned and controlled by the lessee and surrendered by it to the lessors, together with certain mining leases upon said Tracts Nos. 1 and 2 also held and controlled by the lessee concurrently with the delivery of this lease, and in consideration of such surrender, and the premises and the covenants and conditions hereof, the lessee shall have and is hereby granted the right as a part of this lease to mine remove and carry away from Tract No. 3 between the date hereof and the first day of January, 1900, provided the quantity of 90,000 gross tons as above stipulated be first mined and removed or during any subsequent calendar year or years while this lease is in force from any of the said leased lands provided the minimum annual quantity or quantities for any such year or years as hereinafter provided be first mined and removed, 140,000 gross tons of ore without further payment of royalty and free of charge.

The lessee for itself its successors and assigns hereby covenants and agrees with the lessors that from and after January 1, 1900, during each and every calendar year of the period or term of this lease or until the surrender or assignment of the same in the manner herein provided the lessee will mine and remove from said lands (which from and after said January 1, 1900 for all and singular the purposes of this lease shall be inseparable and considered as only one tract or parcel) at least 300,000 gross tons of iron ore an-

nually or that it will pay to the lessors an advance royalty which shall be treated and considered as ground rent of twenty five (25) cents per gross ton on said minimum quantity each year, the same as if actually mined and removed; it being the express (sic) hereof that it shall be optional with the lessee either to mine remove and ship away iron ore from said lands during each calendar year after January 1, 1900, while this lease continues in force or in lieu thereof to pay the lessors an advance royalty of twenty five (25) cents per ton on said annual minimum quantity of 300,000 tons the same as if actually mined and removed.

The said obligation of the lessee to pay said advance royalty of twenty five (25) cents per ton on 300,000 tons annually or such ground rent of seventy five thousand (75,000) dollars, shall continue in force without regard to the quantity or quality of ore existing in the premises during the full term of this lease or until the same is terminated or surrendered or assigned in the manner herein provided and in case of an assignment of said (sic) in the manner herein provided the obligation to mine or pay for such minimum annual quantity of ore as well as all other provisions of this lease shall rest upon and bind such assignee as fully as the lessee is hereby bound.

If ore is not mined and removed from said lands during any calendar year or years commencing January 1, 1900 while this lease is in force, said advance royalties (to be considered as ground rent as aforesaid) on said annual minimum of 300,000 tons shall be paid quarterly at the times and in the manner as hereinbefore provided for the payment of royalties for ore actually mined and shipped away; and in case mining operations are carried on and the quantity of ore mined and shipped away in any quarter of any calendar year is less than 75,000 gross tons, advance royalty shall be paid in such sum as shall together with the amount actually paid as royalties, equal Eighteen Thousand Seven Hundred and Fifty (18,750) Dollars, and, in such case such sum or amount so paid as advance royalty shall be credited, in the payment of the quarterly minimum royalty upon the same for any other quarter or quarters of such year when more than 75,000 gross tons are mined and shipped away and in

case more than 75,000 gross tons are mined and shipped away in any quarter of any calendar year upon which royalties shall be paid as hereinbefore provided, the amount of such payment in excess of Eighteen thousand seven hundred and fifty (18,750) Dollars shall be credited in the payment of the quarterly minimum royalty upon the same for any other quarter or quarters of such year when a less quantity than 75,000 gross tons is mined and shipped away, it being the express intention hereof that the lessee shall not be required in and for such calendar year to pay a greater aggregate royalty than (75,000) Seventy five thousand dollars, except and unless a greater quantity than 300,000 gross tons is mined and shipped away in such entire year and that for all advance royalties and ground rent which shall be paid in any such calendar year and for which ore shall not be mined and shipped away, the lessee shall have the right without further payment of royalty and free from charge to mine and ship away ore in the manner as provided in the next succeeding paragraph hereof.

If for any year or years of the life of this contract and lease the lessee shall thus pay moneys either as advance royalties or ground rent in excess of the royalty on ore actually mined and removed from said lands during each year or years then such moneys so paid in excess of the royalty on ores actually mined and removed shall be credited and applied as payments of royalties on ore which may be mined and removed from said lands or any thereof during any subsequent year or years in excess of the stipulated minimum quantity of 300,000 tons.

The lessee its successors or assigns at the time of making each of said payments shall transmit to the lessors their legal representatives or assigns, an exact truthful statement of the amount of iron ore removed from said lands for the three (3) calendar months for which such payment is to be made. The iron ore so taken out by the lessee, its successors and assigns from said lands shall be weighed by the railroad company transporting the same therefrom which weights shall determine the quantity as between the parties hereto prima facie.

* * * * *

On motion of Mr. Scheide, seconded by Mr. Rockefeller, it was

Resolved, that the executive officers of this Company be, and they hereby are, directed to execute the above mining lease, dated August 1, 1899, on behalf of Lake Superior Consolidated Iron Mines.

This resolution being put to vote, all the members of the Board present voted Aye and the chairman declared the same unanimously adopted.

On motion of Mr. Scheide the Board Adjourned.

Chas. E. Scheide,
Secretary.

* * * * *

(Directors' Meeting, Nov. 13, 1899.)

* * * * *

The President reported that a new arrangement had been made with Messrs. Burrows, Rust & Goff, whereby the existing lease would be surrendered and a new lease would be entered into under which Messrs. Burrows, Rust & Goff would lease to this Company for the period of fifty years and three months from October 1st, 1899, the same premises as were in the old lease at a royalty after January 1, 1900, of twenty five cents per gross ton and a minimum annual output of two hundred thousand tons. The General Counsel submitted the form of surrender of the old lease from this Company to Messrs. Burrows, Rust & Goff, and in quadruplicate the new lease dated October 2, 1899, which new lease has already been executed by the lessors.

On motion of Mr. Rockefeller, seconded by Mr. Murray, the following resolution was adopted unanimously, all the directors present voting in the affirmative.

Resolved, that the release or surrender from Lake Superior Consolidated Iron Mines to George L. Burrows, Ezra Rust and Gilbert B. Goff surrendering the lease heretofore existing from Messrs. Burrows, Rust & Goff dated January

1, 1892, and the lease from George L. Burrows, widower, Ezra Rust and Emma B. Rust his wife, Gilbert B. Goff and Emily A. Goff his wife, as lessors, to Lake Superior Consolidated Iron Mines, dated October 2nd, 1899, and now submitted to this Board be and the same hereby are adopted and ratified, and the President and Secretary of the Company are hereby authorized and directed to execute the same on behalf of the Company and under its Corporate Seal, and the executive officers of the Company are hereby authorized to carry out the terms of the same instruments. * * *

THE FOLLOWING IS A COPY of the lease referred to in the foregoing resolution:

THIS INDENTURE made this second day of October, A. D. 1899, between George L. Burrows (widower), of Saginaw in the State of Michigan, Ezra Rust and Emma B. Rust, his wife, of the City of New York in the State of New York, and Gilbert B. Goff and Emily A. Goff his wife of Edenville in the State of Michigan, hereinafter called "the lessors," parties of the first part and Lake Superior Consolidated Iron Mines, a corporation organized under the laws of the State of New Jersey, hereinafter called "the lessee," party of the second part, WITNESSETH as follows:

FIRST: That the lessors, in consideration of the sum of one dollar to them paid by the lessee, the receipt whereof is hereby acknowledged, and in further consideration of the covenants, conditions and provisions of this lease to be kept and performed by the lessee, do hereby let, demise and lease unto the lessee for the term of fifty years and three months from and after the first day of October in the year one thousand eight hundred and ninety-nine, the following described lands and premises in the County of St. Louis and State of Minnesota, to wit: * * *

TOGETHER with all the mining rights, interests and estates of the lessors and of each of them, in, of and to all of the said lands and premises, subject, nevertheless, to any and all rights of way evidenced by instruments now of record, through over or across any part of the said lands and premises, granted to the Duluth Missabe & Northern Railway

Company and to the Duluth Mississippi River and Northern Railroad Company.

It is agreed by the parties hereto that the rights possessed by the lessee under said instruments shall not be terminated by the making of this lease, but shall continue and shall be the same as if this lease had been in force at the execution of said instruments.

The said lands and premises are demised to the lessee for the sole purpose of exploring for, mining, taking out and shipping therefrom the merchantable iron ore (as well as other minerals as hereinafter provided for) which is or may hereafter be found on, in or under the said lands, with the right to the lessee to construct all buildings and to make all excavations, openings, ditches, drains, railroads, wagon roads and all other improvements which are or may become necessary or suitable for the mining or removing of the iron ore therefrom and the carrying on of mining operations thereon; and the right to cut and use all the timber other than pine timber, which may be upon the said lands, free and without charge, so far as may become necessary for fuel or in the construction of buildings required in the operation of any mine upon the said lands, and for drains, tramways, supports on shafts on or within any such mine, or in connecting the same with any lines of railway over which the said ore may be transported. The term "merchantable ore" as used in this lease shall be taken to mean such ore as shall be merchantable from time to time as the work of mining progresses.

SECOND: The lessee hereby covenants and agrees to pay to the lessors a royalty on all iron ore mined and shipped from the said lands while this lease shall remain in force as follows:

For all iron ore mined and shipped prior to the first day of January A. D. 1900, the royalty shall be at the rate of thirty cents for each gross ton, and for all iron ore mined and shipped on or after the first day of January A. D. 1900, the royalty shall be at the rate of twenty-five cents for each gross ton. As to all iron ore mined and shipped before January 1, 1900, the lessee will pay the royalty to the lessors on or before the twenty-fifth day of each month for all ore mined and shipped during the calendar month preceding the first day of the

month in which the payment is to be made. As to all iron ores mined and shipped on or after the first day of January, 1900, the royalty shall be due and payable on the tenth days of April, July, October and January in each calendar year (which days are hereinafter called "quarter days"). The payment on each quarter day shall be for the full amount of ore mined and shipped from the said lands during the three months immediately preceding the first day of the month in which the payment shall become due. The premises above described being under lease from the lessors to the lessee herein under instrument of lease reserving royalty at the rate of thirty cents per gross ton upon an agreed minimum output of twenty thousand tons in each year, and which lease is surrendered simultaneously with the execution and delivery of this instrument, the lessee further covenants that during the year 1899 it will have mined and shipped from the said lands at least twenty thousand gross tons of iron ore, or, in case the ore so mined and shipped in the year 1899 shall be less than twenty thousand tons, the lessee will pay to the lessors advance royalty in such sum as shall, together with the amount paid as royalties for ore actually shipped, amount to Six thousand dollars.

The lessee further covenants that in each year during the existence of this lease, after January 1, 1900, it will mine and ship from the said lands at least two hundred thousand gross tons of iron ore as an agreed minimum output, or, in case in any one or more of such years the lessee shall not actually ship from the demised premises the full quantity of said agreed minimum output, the lessee will, nevertheless, pay to the lessors advance royalty, to be treated and considered as ground rent, in addition to the royalty paid for iron ore actually shipped during that year, such sum as shall, together with the amount paid as royalty for iron ore actually shipped during the said year, amount to Fifty thousand dollars.

Said advance royalties or ground rent shall be paid quarterly at the times and in the manner herebefore provided for the payment for ore actually shipped. If in any quarter year the lessee shall ship less than one quarter of the agreed minimum output for that year, and in a subsequent quarter of that or any later year shall ship more than the agreed minimum

output for such subsequent quarter, the lessee, in making payment of the royalty on such excess, shall be entitled to credit at the rate of 25 cents per ton up to the amount of royalty previously paid on ore not shipped; and this provision shall apply from quarter to quarter and from year to year until such advance royalty shall be exhausted. If on December 31, 1899, the lessee shall have paid, under the said former lease or under this lease, royalty for a greater number of tons of iron ore than shall then have been actually shipped, the lessee shall be entitled to credit for the amount of such advance royalty at the rate of twenty five cents per ton in the payment of royalty in any subsequent quarter or quarters on iron ore shipped in that quarter in excess of that quarter's minimum.

The obligation of the lessee to pay advance royalties as aforesaid shall continue in force without regard to the quantity or quality of iron ore existing in the premises during the full term of this lease or until the same shall be terminated or surrendered or assigned in the manner herein provided; and in case of an assignment of the said lease the obligation to mine or pay for such agreed annual minimum output, as well as all other provisions of the lease, shall bind the assignee as fully as the lessee is bound hereby.

THE PRESIDENT FURTHER REPORTED that the executive officers of the Company had executed and (*sic*) indenture made the first day of October 1899 by and between MARY V. LONG and husband of Minneapolis, Minnesota, and Lake Superior Consolidated Iron Mines for the lease of an undivided one eighth interest in, of and to the N. E.$\frac{1}{4}$ of the S. E. $\frac{1}{4}$ of Section 4, Township 58 North of Range 18 West of the four (*sic*) principal meridian St. Louis County—Minnesota known by this Company as the AETNA MINE. That the lease is to extend fifty years and three months from the first day of October 1899, until the first day of January 1950, and a copy of said indenture was placed before the Board.

ON MOTION of Mr. Murray seconded by Mr. Rockefeller, it was

RESOLVED that the action of the executive officers in executing and delivering the lease from Mary V. Long and hus-

band for one-eight (*sic*) interest in the Aetna Mine, is hereby ratified, approved and confirmed.

THIS RESOLUTION was unanimously ADOPTED, all the members of the Board present voting Aye.

The lease is in the words and figures following, to wit:

THIS INDENTURE, made this first day of October in the year of our Lord one thousand eight hundred and ninety-nine by and between Mary V. Long and James H. Long her husband of Minneapolis in the County of Hennepin and State of Minnesota as the parties of the first part hereinafter designated as the lessors and Lake Superior Consolidated Iron Mines a corporation duly created and existing under and by virtue of the laws of the State of New Jersey as party of the second part hereinafter designated as the lessee.

WITNESSETH, That the lessors, for and in consideration of the sum of one dollar to them in hand paid by the lessee, the receipt whereof is hereby acknowledged, and in further consideration of the covenants, promises and conditions hereinafter contained to be kept and performed by the lessee, do hereby let, lease and demise unto the lessee, its successors and assigns, for the term of fifty years and three months from and after the first day of October A. D. 1899 and until the first day of January 1950, the following described lands, situate in the County of St. Louis and State of Minnesota, to wit: * * *

Said interest in said tract or parcel of land is hereby leased by the lessors to the lessee for the purpose of exploring for and mining taking out and removing therefrom the merchantable iron ore, which is or which hereafter (*sic*) be found on, in or under said parcel of land, together with the right to construct all buildings and to make all excavations, openings, ditches, drains, railroads, wagon roads and all other improvements upon said land which are or may become necessary or suitable for the mining or removal of the iron ore therefrom and the carrying on of mining operations thereon.

Provided however that the lessee its successors or assigns shall have the right to terminate this lease at any time between the first day of November and the 31st day of December in each calendar year of the term hereof in so far as it requires the lessee to mine ore on said land or to pay royalty or ground rent therefor or to pay taxes thereon by given written notice in manner as hereinafter provided to the lessors or to their legal representatives, or their assigns who shall in such case acknowledge in writing the receipt of such notice and this lease shall terminate immediately after the giving of such notice whether so acknowledged or otherwise.

All arrearages and sums including royalties and taxes, which may or shall be due and payable under this lease up to the end of any such year in which the same shall be so terminated, shall be paid within thirty days after such termination, and the lessee its successors or assigns, upon such termination shall immediately execute and record a formal relinquishment or surrender hereof in the office of the Register of Deeds of said County of St. Louis. Such notice of termination may be delivered personally to the lessors, or their legal representatives or their assigns, or it may be given by registered letters mailed from any post office in the United States, postage prepaid, and addressed to the lessors, at their last known respective places of residence.

The lessors hereby further agree that the lessee, its successors or assigns shall have the right to assign this lease or contract with others to work any mine which now is or may hereafter be discovered upon said land, or sublet or subcontract, the same at its or their option with the same rights and privileges as are herein granted to the lessee, it being expressly understood however, that any such assignment shall not operate as a release or discharge of the lessee from the performance of the conditions hereof until and unless the lessors shall consent to said assignment in writing.

It is mutually understood and agreed between the parties hereto that upon the execution and delivery hereof the lessee shall pay to the lessors, for the quarter ending December 31, 1899, advance royalty in the sum of $781.25, for which advance royalty so paid 25000 gross tons of ore may be mined and carried away from said land, without additional or further

payment to the lessors, in any subsequent calendar year or years commencing January 1, 1900, in excess of the yearly minimum for such year or years as hereinafter stipulated; and the lessee for itself, its successors and assigns, hereby covenants and agrees that it will from and after January 1, 1900 on or before the 10th days of January, April, July & October in each calendar year of the term covered hereby, or during the period of time for which this lease continues in force or until its surrender or assignment in the manner as herein provided, pay to the lessors, their legal representatives or assigns for all the iron ore which shall be mined and removed from said land during the three calendar months next preceding the first day of the month in which payment is to be made as aforesaid, their proportionate share or one eighth (1/8) interest in, to and of a royalty at the rate and price of twenty five cents per ton for all iron ore so taken out mined and carried away from said premises, each ton in all cases to be reckoned at 2240 pounds.

The lessee further hereby covenants and agrees with the lessors that, from and after January 1, 1900, during each and every calendar year of the term of this lease or until the surrender or assignment of the same in the manner as herein provided, the lessee will mine and remove from said entire tract or parcel of land (an undivided one-eight (*sic*) (1/8 of which is covered by this lease as aforesaid) at least 100,000 gross tons of iron ore annually, or that it will, pay to the lessors, or to their legal representatives or assigns, their one-eight (*sic*) (1/8) proportionate share or interest in, to and of an advance royalty, which shall be treated as ground rent, of twenty five cents per ton on said minimum quantity each year, the same as if actually mined and removed, it being the express intention hereof that it shall be optional with the lessee either to mine, remove and ship away iron ore from said land during each calendar year after January 1, 1900, while this lease continues in force, or until the surrender or assignment of the same in the manner herein provided or in lieu thereof, to pay the lessors their representatives or assigns, their said proportionate one eight (*sic*) (1/8) share in and of an advance royalty of twenty five cents per ton on said minimum annual

quantity of 100,000 tons for said entire tract or parcel of land, the same as if actually mined and removed.

It is further covenanted and agreed that if ore is not mined and removed, or if less than 100,000 tons is mined and removed from said land in any calendar year commencing January 1, 1900, while this lease is in force, quarterly payments of advance royalty shall nevertheless be made on or before the 10th days of January, April, July and October of each year each payment being equal to one-fourth of $3125.00, and said royalty so paid in advance shall not, upon the termination of this lease for any cause, be recoverable from or constitute a claim against the lessors or against said land, but shall to that extent be treated simply as ground rent.

If for any calendar year or years of the life of this contract and lease, the lessee shall thus pay moneys, either as advance royalties or ground rent, in excess of the royalty on ore actually mined and removed from said land during year or years, then such moneys, so paid in excess of the royalty on ores actually mined and removed, shall be credited and applied as payments of royalties on ore which may be mined and removed from said land during any subsequent calendar year or years in excess of the stipulated minimum annual quantity of 100,000 tons.

* * * *

(Directors' Meeting, July 11, 1900.)

THE PRESIDENT REPORTED that a NEW ARRANGEMENT had been made with WELLINGTON R. BURT whereby the existing LEASE would be SURRENDERED and a NEW LEASE would be ENTERED INTO, under which Mr. Burt and his wife would lease to this Company, for the period of fifty years from January 1, 1900, the same premises as were included in the old lease, at a royalty of twenty five cents per gross ton and a minimum annual output of 200,000 tons.

* * * *

(Directors' Meeting, July 12, 1900.)

* * * *

ON MOTION of Mr. Scheide seconded by Mr. Murray, it was

RESOLVED, that this Company purchase from Oliver Iron Mining Company the undivided one half interest in the Rouchleau Mine, known as the East half of the Northeast quarter of Section 17 Township 58 North of Range 17 West, and the West half of the Southwest quarter of Section 26, same Township and Range, for the sum of $500,000. plus such interest and expenses as shall be allowed by the President, and that this Company accept the deed of the said property, now submitted by the General Counsel, bearing date July 2, 1900. The following is a copy of the said deed as executed.

DEED OF ROUCHLEAU PROPERTY

This Indenture, made this second day of July, in the year of our Lord one thousand nine hundred, between Oliver Iron Mining Company a corporation organized under the laws of the State of Minnesota, party of the first part and Lake Superior Consolidated Iron Mines, a corporation organized under the laws of the State of New Jersey, party of the second part.

WITNESSETH: The party of the first part, in consideration of the sum of Five hundred thousand dollars to it duly paid, has sold, and by these presents does grant and convey, to the said party of the second part, its successors and assigns, an undivided one half (½) interest in the East half of the Northeast quarter (E½ of N E ¼) of Section Seventeen (17) Township fifty-eight (58) North of Range Seventeen (17) West of the fourth principal meridian, subject to the right of way deed of the Duluth, Missabe & Northern Railway Company, recorded in the Register of Deeds office in the County of St. Louis, State of Minnesota, in Book ninety-four (94) of Deeds, on page one hundred seventy (170). Said premises comprising eighty (80) acres of land, more or less, according to the United States Government survey, and situated in the County of St. Louis and State of Minnesota.

And also an undivided one half (½) interest in the West half of the Southwest quarter (W½ of S W ¼) of Section Twenty-six (26) in said Township, in the County and State aforesaid.

Together with the appurtenances and all the estate, title and interest therein of the said pary of the first part in said tracts of land, or either of them.

Subject, nevertheless, to a certain mortgage bearing date June eighth (8th) Eighteen hundred and ninety-nine (1899), made by the party of the first part to Frank W. Higgins as Trustee to secure the payment of twelve (12) Notes, aggregating in amount Three hundred thousand dollars ($300,000.) and bearing interest at the rate of four and one half per cent (4½%) per annum. Of which notes eight (8) are each for the principal sum of thirty one thousand two hundred and fifty dollars ($31,250), and four are each for the sum of twelve thousand five hundred dollars ($12,500) of which notes two (2) for the sum of thirty one thousand two hundred and fifty dollars ($31,250) and one for the sum of twelve thousand five hundred dollars ($12,500), mature in each year,—One (1), two (2), three (3) and four (4) years from the eighth (8th) day of June A. D. Eighteen hundred and ninety-nine (1899).

And the party of the first part does hereby covenant and agree to and with the party of the second part, its successors and assigns, that save for said mortgage, it has not done, or omitted to do, anything whereby the said premises have become in anywise encumbered.

First party covenants with second party, its successors and assigns, that there remains due and unpaid of the principal sum of said mortgage the sum of Two hundred and twenty five thousand dollars ($225,000) and no more, with interest thereon as aforesaid from the eight (8th) day of June Nineteen hundred (1900).

The party of the second part by accepting this deed covenants that it will pay so much of said mortgage and the notes thereby secured as remain unpaid as the same become due and payable, and that it will fully and promptly perform every covenant made by, and obligation imposed upon, the party of the first part by said mortgage. And that it will forever save first party harmless from any and all claims that may be made under said notes, or any of them, or under said mortgage; and that as fast as and when said notes shall be paid by second party, its successors or assigns,

it will cause the said notes and the guaranties accompanying the same, to be cancelled and forthwith surrendered to the first party.

The party of the first part hereby assigns, transfers and sets over to the party of the second part, its successors and assigns, all rights, claims and demands of whatsoever name or nature which the party of the first part now has or may hereafter acquire under and by virtue of any covenants contained in the deed of the said premises to first party, or in any deeds prior thereto in the chain of title to said premises.

IN WITNESS WHEREOF the party of the first part has caused this instrument to be executed by its President, and has caused its corporate seal to be hereto affixed, and the Secretary of the first party has, for the purpose of authenticating the same, signed his name on all the three preceding of this instrument, all the day and year first above written.

Signed, Sealed and Delivered in Presence of
CHESTER A. CONGDON,

F. J. CRUMP.

OLIVER IRON MINING COMPANY,
by HENRY W. OLIVER,
President.

Attest:
C. D. FRASER,
Secretary.
SEAL

RESOLVED, that the instruments now submitted by the President and General Counsel, enumerated in the following list, be and the same hereby are respectively accepted, and that the executive officers of this Company be and they hereby are authorized to execute and deliver the same and to carry out the terms thereof respectively; all the said instruments are dated May 1, 1900.

(Directors' Meeting, July 12, 1900.)

* * * * * *

Lease of "Stephens" Mine.

THIS INDENTURE, made this first day of May, A. D., Nineteen Hundred, between Oliver Iron Mining Company, a corporation organized under the laws of the State of Minnesota (hereinafter called the lessor), party of the first part, and Lake Superior Consolidated Iron Mines, a corporation organized under the laws of the State of New Jersey (hereinafter called the lessee), party of the second part,

WITNESSETH: By indenture dated June fifteenth A. D. one thousand eight hundred and ninety nine, (a copy of which is hereto annexed marked Exhibit "A", and hereby made a part hereof), Henry Stephens and others did demise to the lessor the premises hereinafter described.

The lessee has by contract of even date herewith and contemporaneously herewith sold to the Carnegie Steel Company (hereinafter called the Carnegie Company), all the merchantable shipping iron ore which is or may hereafter be found on, in or under the premises hereinafter described, on the conditions, and for the prices set forth in said contract.

FIRST.

The lessor in consideration of One Dollar to it in hand paid by the lessee, the receipt of which is hereby acknowledged, and in further consideration of the rents and royalties to be paid and the covenants and conditions to be kept and performed, as herein named, by the lessee, does hereby let, demise, and lease unto the lessee the following tract or parcel of land situated in the County of St. Louis, State of Minnesota, and more particularly known as the northwest quarter of the northeast quarter (N. W. ¼ of the N. E. ¼); the Southwest quarter of the Northeast quarter (S. W. ¼ of the N. E. ¼); the Southeast quarter of the Northeast quarter (S. E. ¼ of the N. E. ¼); the Southeast quarter of the Northwest quarter (S. E. ¼ of the N. W. ¼); the Northeast quarter of the Southeast quarter (N. E. ¼ of the S. E. ¼); in Section Twenty-Six (26) and the Southwest quarter of the Northwest

quarter (S. W. ¼ of the N. W. ¼); the Northwest quarter of the Southwest quarter (N. W. ¼ of the S. W. ¼); in Section Twenty-five (25); all in Township Fifty-nine (59) north, of Range Fifteen (15) west, for the term of forty-nine (49) years from and after the date hereof, for the purpose of exploring for and mining, taking out and removing therefrom the merchantable shipping iron ore which is, or which may hereafter be found on, in, or under said lands together with the right to construct all buildings, make all excavations, openings, ditches, drains, railroads, wagon roads, and other improvements upon said premises which are or may become suitable or necessary for the mining and removing of iron ore from said premises. Special care being exercised to clear up and remove all combustible debris in order to prevent any fires.

* * * * * *

THIRD.

The lessee shall pay to the lessor a royalty or rental on all iron ore removed from said premises during the existence of this lease of fifteen (15) cents per gross ton, each ton to be reckoned at two thousand two hundred and forty (2,240) pounds, avoirdupois. Payments of such royalties or rental shall be made quarter-yearly, as follows: On the first day of January, April, July and October, in each and every year commencing July first, A. D. Nineteen Hundred, for the iron ore removed from said premises during the quarter year immediately preceding such dates at the office of the lessor in Pittsburg, Pennsylvania, or at such other place as the lessor may from time to time designate in writing. * * *

* * * * * *

FOURTH:

The lessee shall hereafter pay to the lessor, in quarter yearly installments, the royalty or rental on not less than one hundred thousand (100,000) tons each year during the existence of this lease, whether the same be mined or not, and such payments so made shall be applied on the payments for royalty or rental first becoming due under this lease for ore mined and shipped in excess of the said one hundred

thousand (100,000) tons per year, the first of such quarter-yearly payments to be made on the first day of July, A. D., Nineteen Hundred, and thereafter to be payable quarter-yearly, as above stated.

* * * * * *

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be executed in duplicate by their respective Presidents, and have caused their respective corporate seals to be hereto affixed, and the respective Secretaries of the parties have for the purpose of authenticating the same, signed their names on all the eleven preceding pages of this instrument, all the day and year first above written.

Signed, sealed and delivered
in presence of:
T. J. CRUMP
CHESTER A. CONGDON.
(SEAL)

OLIVER IRON MINING COMPANY,
By HENRY W. OLIVER, President.
Attest C. D. FRASER, Secretary.

GEO. WELWOOD MURRAY
W. A. JONES
(SEAL)

LAKE SUPERIOR CONSOLIDATED IRON MINES,
By F. T. GATES, President,
Attest CHAS. E. SCHEIDE, Secretary.

Exhibit "A".

This indenture, made this Fifteenth day of June, A. D., 1899 between Henry Stephens and Sarah M. Stevens (*sic*) his wife, and Albert L. Stephens and Frances H. Stephens, his wife, of Detroit, Wayne County, Michigan, parties of the first part, and The Oliver Iron Mining Company, a corporation organized under the laws of the State of Minnesota, parties of the second part,

Witnesseth:

First: That the parties of the first part, in consideration of the sum of one dollar to them in hand paid by the parties of the second part, the receipt of which is hereby acknowledged, and in further consideration of the rents and royalties to be paid and the covenants and conditions to be kept and performed, as herein named, by the parties of the second part, do hereby let, demise and lease unto the said parties of the second part, the following tract or parcel of land, situated in the county of St. Louis, State of Minnesota, and more particularly known as Section twenty-six (26), the Northwest quarter of Northeast quarter (N. W. ¼ of N. E. ¼); the Southwest quarter of Northeast quarter (S. W. ¼ of N. E. ¼); the Southeast quarter of Northeast quarter (S. E. ¼ of N. E. ¼); the Southeast quarter of Northwest quarter (S. E. ¼ of N. W. ¼); the Northeast quarter of Southeast quarter (N E ¼ of S. E. ¼); Section Twenty-five (25), the Southwest quarter of Northwest quarter (S. W. ¼ of N. W. ¼) the Northwest quarter of Southwest quarter (N. W ¼ of S. W ¼); all in Township Fifty-nine (59) North of Range Fifteen (15) West, for the term of fifty (50) years from and after the date hereof, for the purpose only of exploring for and mining, taking out and removing therefrom the merchantable shipping iron ore which is or which hereafter may be found on, in or under said land, together with the right to construct all buildings, make all excavations, openings, ditches, drains, railroads, wagon roads, and other improvements upon said premises which are or may become suitable or necessary for the mining and removing of iron ore from said premises, spe-

cial care being exercised to clear up and remove all combustible debris in order to prevent any fires.

* * * * * *

THIRD: The said parties of the second part shall pay to the parties of the first part a royalty or rental on all iron ore removed from said premises during the existence of this lease of Fifteen (15c) per gross ton, each ton to be reconed (*sic*) at Two thousand two hundred and forty (2240) lbs. avoirdupois, payments of such royalty or rental shall be made quarter-yearly, as follows: On the first day of January, April, July and October, in each and every year, commencing October 1st, 1899, for the iron ore removed from said premises during the quarter year immediately preceding said dates, * * *

* * * * * *

FOURTH: The parties of the second part shall hereafter pay to the parties of the first part, in quarter-yearly installments, a royalty or rental on not less than One hundred thousand (100,000) tons each year during the existence of this lease, whether the same be mined or not, and such payments so made shall be applied on the payments for royalty or rental next becoming due under this lease for ore mined and shipped in excess of the said one hundred thousand tons (100,000) per year, the first of such quarter-yearly payments to be made on the first day of October, 1899, and thereafter to be payable quarter-yearly as above stated.

* * * * *

In witness whereof the said parties have hereunto set their hands and seals the day and year above written.

Signed, sealed and delivered
in presence of:

HENRY STEPHENS (L. S.)
SARAH M. STEPHENS (L. S.)
ALBERT L. STEPHENS (L. S.)
FRANCES H. STEPHENS (L. S.)

Made in duplicate:
ELVERTON F. JENKS,
MARTIN. G. BORGMAN.

Witnesses as to signature of OLIVER IRON MINING COMPANY,
HENRY W. OLIVER, President.
C. D. FRASER, Secretary (L. S.)
ALBERT L. and FRANCES H.
STEPHENS,
ELVERTON F. JENKS,
JENNIE M. CAMPBELL.
Witnesses as to the signatures of
Henry and Sarah M. Stephens,
G. N. WHITE,
A. H. EAMES.
Witnesses as to signatures of
Henry W. Oliver and C. D. Fraser.

* * * * *

(Directors' Meeting, February 2, 1910.)

Pursuant to the call and written notice of the Secretary, a meeting of the Board of Directors of Lake Superior Consolidated Iron Mines was duly held at the office of the Company in the Empire Building, 71 Broadway, New York City, on Wednesday, February 2, 1910, at 11:00 o'clock a. m.

The following directors were present:

David G. Kerr, President, in the Chair.
Elbert H. Gary,
Richard Trimble,
Thomas Murray,
Charles E. Scheide,
Charles D. Fraser, Secretary.

* * * * *

The following resolutions, offered by Secretary Fraser, and seconded by Mr. Scheide, were unanimously adopted:

WHEREAS, the Lake Superior Consolidated Iron Mines is the owner of 1,324 1/3 shares of stock of the Duluth, Missabe & Northern Railway Company.

THEREFORE RESOLVED, that the President and Secretary of this Company be, and they hereby are, authorized and di-

rected to execute a proxy running to W. A. McGonagle and Frank D. Adams, or either of them, or any one whom they may appoint instead, to vote the shares of stock of this Company at the next annual meeting of the Railway Company, or any adjournment or adjournments thereof.

WHEREAS, the Lake Superior Consolidated Iron Mines is the owner of the shares of stock, as stated below, in the following named companies to-wit:

Adams Mining Company	21,997	Shares
Great Northern Mining Company	34,960	"
The Missabe & Northern Townsite Company	66	"
Mountain Iron Company	16,033	"
Rathbun Iron Mining Company	997	"
Shaw Iron Company	29,663	"
Spruce Mining Company	9,340	"

THEREFORE RESOLVED, that the President and Secretary of this Company be, and they hereby are, authorized and directed to execute proxies running to W. J. Olcott, to vote the shares of stock of this Company at the next annual meetings of the above named companies, or any adjournment or adjournments thereof.

* * * * *

Pursuant to the call and written notice of the Secretary, a meeting of the Board of Directors of Lake Superior Consolidated Iron Mines was duly held at the office of the company in the Empire Building, 71 Broadway, New York City, on Tuesday, January 17, 1911, at 11:15 o'clock A. M.

The following directors were present:

David G. Kerr, President, in the Chair.
Elbert H. Gary,
William J. Filbert,
Richard Trimble,
Charles E. Scheide,
Thomas Murray,
Charles D. Fraser, Secretary.

* * * * *

The following resolutions, offered by Secretary Fraser and seconded by Mr. Scheide, were unanimously adopted:

WHEREAS, the Lake Superior Consolidated Iron Mines, is the owner of 1,324 1/3 shares of the stock of the Duluth, Missabe & Northern Railway Company;

THEREFORE RESOLVED, that the President and Secretary of this company be, and they hereby are, authorized and directed to execute a proxy running to W. A. McGonagle and Frank D. Adams, or either of them, or any one whom they may appoint instead, to vote the shares of stock of this company at the next annual meeting of the Railway Company, or any adjournment or adjournments thereof.

WHEREAS, the Lake Superior Consolidated Iron Mines is the owner of the shares of stock, as stated below, in the following named companies, to-wit:

Adams Mining Company	21,997	Shares
Great Northern Mining Company	34,965	"
Greenville Iron Mining Company	495	"
The Missabe & Northern Townsite Company	66	"
Mountain Iron Company	16,033	"
Rathbun Iron Mining Company	997	"
Shaw Iron Company	29,673	"
Spruce Mining Company	657	"

THEREFORE RESOLVED, that the President and Secretary of this company be, and they hereby are, authorized and directed to execute a proxy running to W. J. Olcott to vote the shares of stock of this company at the next annual meetings of the above named companies or any adjournment or adjournments thereof.

* * * * *

(Directors' Meeting, April 19, 1911.)

Pursuant to the call and written notice of the Secretary, a meeting of the Board of Directors of Lake Superior Consolidated Iron Mines was duly held at the office of the com-

pany in the Empire Building, 71 Broadway, New York City, on Wednesday, April 19, 1911, at 11:30 o'clock A. M.

The following directors were present:

David G. Kerr, President, in the chair,
Elbert H. Gary,
Richard Trimble,
William J. Filbert,
Thomas Murray,
Charles E. Scheide,
Charles D. Fraser, Secretary.

* * * * *

Director Fraser offered and Director Filbert seconded the following resolution:

WHEREAS, the executive officers of the Companies hereinafter named, each company acting independently of the others, and of this company have, in the interest of their respective companies and subject to the approval of the Boards of Directors or the stockholders of the respective companies, agreed as follows, to-wit: That the companies hereinafter named will issue and sell to the Lake Superior Consolidated Iron Mines and said Lake Superior Consolidated Iron Mines will purchase the number of shares of the capital stock of each of said companies of the par value of $100.00 each, as given below, at and for the cash consideration shown, to-wit:

Company.	No. of Shares.	Cash Consideration.
Cambridge Iron Mining Company	495	$49,500.00
Clarion Iron Mining Company...	495	49,500.00
Crawford Iron Mining Company.	495	49,500.00
Cumberland Iron Mining Company	495	49,500.00

THEREFORE, RESOLVED, That this company purchase said capital stock of said companies and that the executive officers of this company be, and they hereby are, expressly authorized, empowered and directed to receive and accept the same

and to pay the considerations therefor as agreed, upon the receipt by them of said stock.

* * * * *

(Directors' Meeting, January 11, 1912.)

Pursuant to the call and written notice of the Secretary, a meeting of the Board of Directors of Lake Superior Consolidated Iron Mines was duly held at the office of the company in the Empire Building, 71 Broadway, New York City, on Thursday, January 11, 1912, at 2:00 o'clock P. M.

The following directors were present:

David G. Kerr, President, in the chair,
Elbert H. Gary,
Richard Trimble,
Thomas Murray,
Charles E. Scheide,
Charles D. Fraser, Secretary.

* * * * *

The following resolution, offered by Mr. Fraser and seconded by Mr. Scheide, was unanimously adopted:

WHEREAS, the Lake Superior Consolidated Iron Mines is the owner of the shares of stock, as stated below, in the following named companies, to-wit:

Cambridge Iron Mining Company....	495	Shares
Clarion Iron Mining Company.....	495	"
Crawford Iron Mining Company.....	495	"
Cumberland Iron Mining Company...	495	"
Greenville Iron Mining Company....	495	"

RESOLVED, that the President and Secretary of this company be, and they hereby are, authorized and directed to execute a proxy running to W. J. Olcott to vote the shares of stock of this company at the next annual meetings of the above named companies, or any adjournment or adjournments thereof.

The following resolution, offered by Mr. Fraser and seconded by Mr. Scheide, was unanimously adopted.

WHEREAS, the Lake Superior Consolidated Iron Mines is the owner of 1,324 1/3 shares of the stock of the Duluth, Missabe & Northern Railway Company:

RESOLVED, that the President and Secretary of this company be, and they hereby are, authorized and directed to execute a proxy running to W. A. McGonagle and Frank D. Adams, or either of them, or any one whom they may appoint instead, to vote the shares of stock of this company at the next annual meeting of the Railway Company, or any adjournment or adjournments thereof.

* * * * *

(Directors' Meeting, February 1, 1912.)

Pursuant to the call and written notice of the Secretary, a meeting of the Board of Directors of Lake Superior Consolidated Iron Mines was duly held at the office of the company in the Empire Building, 71 Broadway, New York City, on Thursday, February 1, 1912, at 12:30 o'clock P. M.

The following directors were present:

Messrs. David G. Kerr, President, in the chair,
Elbert H. Gary,
Richard Trimble,
William J. Filbert,
Thomas Murray,
Charles E. Scheide,
Charles D. Fraser, Secretary.

* * * * *

The following resolution, offered by Mr. Fraser and seconded by Mr. Scheide, was unanimously adopted:

WHEREAS, the Lake Superior Consolidated Iron Mines is the owner of the shares of stock, as stated below, in the following named companies, to-wit:

Adams Mining Company	21,997	Shares
Great Northern Mining Company	34,965	"
The Missabe & Northern Townsite Company	66	"
Mountain Iron Company	16,033	"
Rathbun Iron Mining Company	997	"
Shaw Iron Company	29,673	"
Spruce Mining Company	657	"

RESOLVED, That the President and Secretary of this company be, and they hereby are, authorized and directed to execute a proxy running to W. J. Olcott to vote the shares of stock of this company at the next annual meetings of the above named companies, or any adjournment or adjournments thereof.

* * * * *

(Directors' Meeting, March 27, 1912.)

Pursuant to the call and written notice of the Secretary, a meeting of the Board of Directors of Lake Superior Consolidated Iron Mines was duly held at the office of the company in the Empire Building, 71 Broadway, New York City, on Wednesday, March 27, 1912, at 3 o'clock P. M.

The following directors were present:

David G. Kerr, President, in the chair,
Elbert H. Gary,
Richard Trimble,
William J. Filbert,
Charles E. Scheide,
Charles D. Fraser, Secretary.

* * * * *

On motion of Mr. Filbert, seconded by Mr. Trimble, it was unanimously

RESOLVED: That the President is hereby authorized to purchase stock of Pennsylvania & Lake Erie Dock Company at the price of $200.00 for each $100.00 share, as follows:

From:	National Tube Company.....	477 shares
	Carnegie Steel Company.....	3,508 shares
	American Steel & Wire Company	1,273 shares
	Total	5,258 shares

* * * * *

The following Minutes of the Directors and Stockholders of the Oliver Iron Mining Company (Record, page 703 to page 801), are offered in evidence by the Petitioner under the foregoing Stipulation, dated June 26, 1912 (page 359), for all purposes for which said Minutes are competent and relevant:

Each and all of said minutes are objected to by Counsel for said Defendants on the ground of incompetency, irrelevancy and immateriality.

(Directors' Meeting, Dec. 22, 1896.)

Pittsburgh, Dec. 22nd, 1896.

A meeting of the Directors was held.

President: Mr. H. W. Oliver (in the chair),
" Fraser,
" Curry,
" Leishman,
" Gayley.

The President presented to the Board, for approval, the certain Indenture of Mining Lease, bearing date the 1st day of December, 1896, between the Mountain Iron Co., as party of the first part, and this Company, as party of the second part; and, upon due consideration thereof, Director Leischman offered and director Gayley seconded, the following resolutions:

Resolved: That the acts of the President and Secretary of this Company, in executing in duplicate, in the name, and on behalf of this Company, and under its corporate seal, that certain Indenture of Mining Lease, dated December 1st, 1896, by and between the Mountain Iron Co., a corporation organized under the laws of Minnesota, as party of the first part, and the Oliver Mining Co., as party of the second part, and which is in the words and figures following, to wit:

THIS INDENTURE, made this first day of December, A. D. 1896, between MOUNTAIN IRON COMPANY, a corporation duly organized under the laws of the State of Minnesota (hereinafter called "the lessor"), party of the first part, and OLIVER MINING COMPANY, a corporation duly organized under the laws of the State of Minnesota (hereinafter called "the lessee"), party of the second part, WITNESSETH as follows:—

FIRST: That the lessor, in consideration of the sum of one dollar to it paid by the lessee, the receipt whereof is hereby acknowledged, and in further consideration of the covenants, conditions and provisions of this lease to be kept and performed by the lessee, doth hereby let, demise and lease unto the lessee, for the term of fifty years, from and after the first day of December, in the year one thousand eight hundred and ninety-six, the following described lands and premises in the County of St. Louis and State of Minnesota, to wit:

The west half of the Northwest quarter (W. ½ of N. W. ¼) and the northwest quarter of the southwest quarter (N. W. ¼ of S. W. ¼) of Section three (3), in Township number fifty-eight (58) North of Range number eighteen (18) west of the fourth Principal Meridian.

SUBJECT, NEVERTHELESS, to the right of way of the Duluth, Missabe & Northern Railway Company upon and over said premises and to the instruments hereinafter specifically mentioned as affecting said premises.

The said lands and premises are demised to the lessee for the sole purpose of exploring for, mining, taking out and removing therefrom, the iron ore which is or hereafter may be found on, in or under the said lands, with the right to the lessee to construct all buildings, make all excavations, openings, ditches, drains, railroads, wagon-roads and other improvements upon the said lands which are or may become necessary or suitable for the mining or removing of the iron ore therefrom.

SECOND: The lessee hereby covenants and agrees to operate all the mines which are now known, or may hereafter be discovered, on the said lands in a good, workmanlike man-

ner and in accordance with the requirements of good engineering, during the existence of this lease, and to pay to the lessor a royalty on all iron ore mined and removed from the said lands while this lease is in force, at the rate of twenty-five cents for each gross ton. The said royalty shall be due and payable on the 15th days of April, July, October and January in each year during the demised term (hereinafter called "quarter days"). The payment on each quarter day shall be for the full amount of ore mined and removed from the said lands during the three months immediately preceding the first day of the month in which the payment shall be due.

The lessee further covenants and agrees that in each year during the existence of this lease it will mine and remove from the said lands at least six hundred thousand gross tons of iron ore as an agreed minimum output; and in case in any one or more years during the existence of this lease the lessee shall not actually remove from the demised premises the full quantity of six hundred thousand gross tons, as hereinabove agreed, the lessee shall nevertheless pay to the lessor a ground rent for the said lands during the said year of one hundred and fifty thousand dollars. Such ground rent shall be payable on the 15th day of January in each year for the year immediately preceding; provided, however, that if for any year the royalty paid by the lessee to the lessor shall be equal to or exceed the sum of One hundred and fifty thousand dollars, then the royalty so paid shall be in lieu of the said ground rent; and should the royalty paid for any year be less than the sum of One hundred and fifty thousand dollars, the lessee agrees to pay to the lessor on said 15th day of January, as ground rent, such a sum as will, together with the royalty paid for such year, amount to One Hundred and fifty thousand dollars. If in any year the lessee shall mine and remove less than the agreed minimum putput (sic) for that year, and in a subsequent year shall pay royalty for the agreed minimum output for such subsequent year, it shall be entitled to credit in the payment of royalty on ore mined and removed in that year in excess on such minimum to an amount equal, at its face, to the ground rent in excess of royalty paid for such preceding year as aforesaid, and this provision shall

apply from year to year until the amount equal to such ground rent shall be exhausted.

* * * * *

(Directors' Meeting, Oct. 26, 1897.)

Pittsburgh, October 26/97.

A meeting of the directors was held at the office of the Company. Present Messrs. Curry, Clemson and Gayley. Due admission of service of such notice on Directors H. W. Oliver and C. D. Fraser was filed.

In the absence of the President, Mr. D. M. Clemson presided.

In the absence of the Secretary, Mr. H. C. Daft acted as Secretary of the meeting.

The following preamble and resolution was presented by Mr. Curry:

"Whereas, the President of this Company has negotiated with the Keweenaw Association, Ld., an iron-mining lease, whereby said Association leases to this Corporation for the term of forty (40) years from and after the 1st day of April, 1903 the following described lands situate in the County of Gogebic and State of Michigan, to wit: The West half of the South-West quarter and the South half of the North-East quarter of Section 23, in Township 47, North, of range 47 West, which lease is substantially in the following form, to wit:

* * * * *

That said party of the first part in consideration of the covenants and agreements of the party of the second part hereinafter made doth hereby lease and demise unto said party of the second part all those certain parcels or tracts of land situated in the County of Gogebic, in the State of Michigan, and described as follows, to wit:

The West half of the southwest quarter of Section twenty-three, known as the East Norrie Mine and containing eighty acres according to the United States survey thereof, and

the South half of the northeast quarter of Section twenty-three, known as the Pabst Mine and containing eighty acres according to the United States survey thereof, all in Township forty-seven North of Range forty-seven West, for the uses and purposes of exploring for, mining, taking out and removing therefrom the merchantable iron ores which are or may be found therein, with the right and privilege of erecting, making and maintaining thereon all such buildings, excavations, openings, ditches, drains, railroads, tramways, wagon-roads and other improvements as shall be necessary or convenient for the purposes and uses aforesaid for which said lands are leased and demised.

TO HAVE AND TO HOLD said land, rights and privileges to the said party of the second part for and during the term of forty years from and after the first say (sic) of April, A. D., Nineteen hundred and three (or until said lease and demise shall be terminated in the manner hereinafter provided) said party of the second part truly and faithfully keeping, observing and performing each and every of the covenants, agreements and promises by and on the part of said party of the second part in this indenture made, and all the conditions hereinafter set forth and on the part of said party of the second part to be kept, observed or performed.

* * * * *

But the foregoing lease and demise is made upon the express condition that said party of the second part shall pay unto the said party of the first part, or its assigns, as rent or royalty at the times hereinafter stated, the amounts, sums and percentages, hereinafter set forth or specified, for each and every ton of iron ores removed from said premises during the term aforesaid of said lease and demise, to wit: For each and every ton so removed the royalties or percentages, hereinafter stated or set forth, of the market value which said ores would have at the City of Cleveland, in the State of Ohio, if the same were delivered and sold at that place, whether such ores shall in fact be delivered or sold at said Cleveland or not, to wit: For all such ores, such value whereof would not either between the first and fifteenth days

of May, in the year in which the same shall be shipped or removed from said premises, or at time of actual shipment or sale thereof, exceed four dollars per ton, twenty-five cents for each ton; for all such ores, such value whereof would either between the first and fifteenth days of May, in the year when the same shall be shipped, or at time of shipment or actual sale thereof, exceed four dollars per ton but would not at either of said times exceed four dollars and twenty-five cents per ton, six and one-fourth per centum of the value thereof at said Cleveland at the time of the actual shipment or sale thereof, if such value at that time shall equal or exceed such market value between said first and fifteenth days of May—otherwise six and one-fourth per centum of such value between the first and fifteenth days of May, in the year in which the same shall be shipped or removed from said premises. And for all such ores, such market value whereof would either at time of shipment or sale thereof or between the first and fifteenth days of May, in the year in which the same is shipped or removed from said premises, exceed four dollars and twenty-five cents per ton, the rate of the percentage of such values thereof to be paid as aforesaid shall be increased, above six and one-fourth per centum, at the rate of one per centum for each dollar (or one one-hundredth of one per centum for each cent) of the excess of such value above four dollars and twenty-five cents per ton (such royalty or percentage to be computed and paid on such value at the time of actual shipment or sale of said ores, if such value at that time equals or exceeds such market value between the first and fifteenth days of May, in the year in which such ore shall be shipped or removed from said premises; otherwise, on such market value between the first and fifteenth days of said May); and that the said party of the second part shall make and render the statements hereinafter specified to be by it made and rendered at the times hereinafter stated therefor, and keep, observe and perform each and every of its covenants, promises and agreements hereinafter made and on its part to be kept and performed.

* * * * *

Said party of the second part doth hereby further covenant, promise and agree unto and with said party of the first

part, that said party of the second part will pay unto the said party of the first part, or its assigns as rent for said premises hereby leased and demised or as royalty on ores to be removed therefrom, at least the sum of Eighty-seven thousand five hundred dollars in each and every year during said term, or until the termination of this lease and demise as hereinafter provided; it being understood and agreed, however, between said parties, that if the royalty hereinabove specified to be paid on account of ores removed from the premises hereby demised in any year during the continuance of this lease, shall not amount to the sum of Eighty-seven thousand five hundred dollars, the excess so paid shall be applied to the payment of any excess over Eighty-seven thousand five hundred dollars that may be payable on account or royalties on ore removed from said premises in any subsequent year.

* * * * *

(Directors' Meeting, Nov. 7, 1897.)

Pittsburgh, Novr. 7th, 1897.

A meeting of the Directors was held.

Present: H. W. Oliver, (President, in the Chair)
H. M. Curry,
J. Gayley
D. M. Clemson,
C. D. Fraser, (Secretary)
being the entire Board.

Mr. Fraser submitted the following preamble and resolution:

WHEREAS, the President of this Company has negotiated two agreements with the Keweenaw Association, Limited, modifying leases by the Keweenaw Association to the Tilden Iron Mining Co. which agreements are in the following form, to wit:

THIS INDENTURE, made this 26th day of October in the year One thousand eight hundred and ninety-seven between the KEWEENAW ASSOCIATION LIMITED, a copartnership association

formed and existing under the laws of the state of Michigan, party of the first part, and the OLIVER MINING COMPANY, a Corporation formed and existing under the laws of the state of Minnesota, party of the second part,

WITNESSETH:—

THAT WHEREAS the said party of the first part by lease bearing date the 30th day of November in the year One thousand eight hundred and ninety-one, did let and demise unto the Penokee and Gogebic Development Company, a corporation existing under the laws of West Virginia, for mining purposes the south half of the north half of Section fifteen in Township forty-seven north of Range forty-six west in the County of Gogebic, Sate (sic) of Michigan, for the term of twenty years from and after the first day of July A. D., 1891; and

WHEREAS, the said lessee on the 30th day of June A. D., 1892, assigned and transferred said lease to the Penokee and Gogebic Consolidated Mines, a corporation of the State of New Jersey, which assignment was recorded in the office of the Register of Deeds for the County of Gogebic on the first day of July, A. D. 1892; and

WHEREAS, the said Penokee and Gogebic Consolidated Mines and Howard Morris and Charles F. Rand, Receivers of said last mentioned corporation, on the 29th day of October, A. D. 1896, assigned and transferred said lease to the Tilden Iron Mining Company, a corporation of the state of West Virginia, which assignment was recorded in the office of the Register of Deeds for said County of Gogebic on the 4th day of June, A. D. 1897; and

WHEREAS, the said party of the first part on the 30th day of November, A. D. 1891, by lease bearing date on that day did lease and demise to the said Penokee and Gogebic Development Company, for the purposes aforesaid, the north half of the north half of said Section fifteen for the term of twenty years from and after the first day of July A. D. 1891, which said lease has been assigned by the same instruments of assignment hereinabove mentioned and is now vested in said Tilden Iron Mining Company; and

WHEREAS, the lands described in both said leases have been or are about to be sub-let to the said Oliver Mining Company by said Tilden Iron Mining Company:

NOW, THEREFORE, in consideration of said sub-letting and of the agreements and undertakings hereinafter set forth, the parties hereto mutually agree as follows:

1st: Said party of the first part hereby ratifies and confirms the assignments of both said leases heretofore made as above set forth and consents that the said premises may be sub-let by the said Tilden Iron Mining Company to the Oliver Mining Company upon such terms and conditions as the said Companies shall agree upon.

2nd: So long as the said party of the second part shall be and continue the sub-tenant of said premises under said leases, and no longer, the provision in said leases requiring the said lessees to assort and grade the ores taken from the mines covered by said leases and report the quantity and quality of the several grades thereof separately is hereby waived by said party of the first part and said party of the second part and the owner or owners of said leases during such sub-tenancy are released therefrom.

3rd: So long as said party of the second part shall be and continue such sub-tenant under said leases, said parcels of land embraced in both said leases shall be considered and treated as one mining property, and the rents and royalties that shall accrue to the party of the first part upon ore to be removed therefrom by said party of the second part, as such sub-tenant, during the time of its sub-tenancy shall be reduced as follows:

All royalties upon ores which by the terms of said leases are fixed at thirty cents per ton shall be reduced to twenty-five cents per ton. All royalties which by said leases are fixed at seven and one-half per centum of the value thereof at Cleveland shall be reduced to six and one-quarter per centum of the value thereof at said Cleveland. The royalties on ores, the value of which at Cleveland shall exceed Four dollars and twenty-fice (sic) cents per ton shall be increased by the same

rate of percentage upon such values as is specified in said leases.

4th: So long as the said party of the second part shall be and remain a sub-tenant of said premises under said leases, the minimum annual rent or royalty upon both said leases shall be raised to the aggregate amount of One hundred thousand dollars, and said party of the second part, in consideration of the concessions herein made, covenants and agrees that said party of the first part shall be paid an annual, rent or royalty on both said leases amounting in the aggregate to at least One hundred thousand dollars so long as said party of the second part shall continue to be a sub-lessee under said leases, instead of the sums designated as such minimum annual rent or royalty in said leases.

* * * * *

THEREFORE:

RESOLVED: That the action of the President in negotiating said agreements is approved, and the President and Secretary are directed to execute both of said agreements in duplicate and to affix thereto the corporate seal and to deliver one original of each of said executed agreements to said Keweenaw Association Ld, upon a concurrent delivery to this Company by said Keweenaw Association Ld of the other original of each of said agreements duly executed by the duly authorized officers of said Keweenaw Association, Ld.

On motion of Mr. Curry, seconded by Mr. Clemson, foregoing resolution was unanimously adopted.

The Secretary submitted the following preamble and resolution:

Whereas the President of this Company has negotiated with the Tilden Iron Mining Company a mining lease, whereby this Company leases of the Tilden Co., for a term beginning Nov. 15th, 1897, and ending June 30th, 1947, the North half of Sec. 15 in Township 47 North of Range 46, West, in Gogebic County, Michigan, which lease is in the following form, to wit:

* * * * *

The Tilden Company is the owner of the lessee estate, right and interest under two leases from the Kewenaw (sic) Association, Limited, to the Penokee and Gogebic Development Company, both dated the 30th day of November, 1891, the one recorded on the 11th day of March, 1892, in the office of the Register of Gogebic County, Michigan, in liber R of Deeds, page 82, and the other recorded on the 11th day of March, 1892, in the office of the Register of Gogebic County, Michigan, in liber R of Deeds, page 96, and demising for the term of twenty years from July 1, 1891, for the purposes stated in the said leases, the lands and premises hereinafter described; and the Tilden Company is the owner of the lessee estate, right and interest under a lease from the Kewenaw (sic) Association Limited, to the Tilden Company, dated the 22nd day of October, 1897, recorded or to be recorded in the office of the Register of Gogebic County, Michigan in liber of Deeds, page demising for the term of thirty-six years and six months, beginning January 1, A. D. 1911, for the purposes stated in the said lease, the lands and premises situated in the County of Goegbic (sic) and State of Michigan, containing 160 acres described and known as the south one-half of the north one-half of Section 15 in Township 47 North of Range 46 West, of the meridian of Michigan; and also that certain tract of land situated in the county of Goegbic (sic) and State of Michigan, containing 160 acres described and known as the north one-half of the north one-half of Section 15 in Township 47 North of Range 46 West of the meridian of Michigan. The said leases contain covenants, conditions and provisions more fully set forth therein, and reference is hereby particularly made to the said leases and to the record thereof with the same force and effect as if the said leases were repeated at length in the instrument. The Oliver Company desires to obtain a sublease of the said premises upon the terms set forth in this instrument.

Now, Therefore, in consideration of the matters above recited, and of the sum of one dollar by the lessee to the lessor paid, the receipt whereof is hereby acknowledged, and in further consideration of the covenants, conditions

and provisions of this instrument to be kept and performed by the lessee named herein, IT IS AGREED as follows, to wit:

FIRST: That the lessor, Tilden Iron Mining Company, doth hereby let, demise and lease unto the lessee, Oliver Mining Company for the term beginning November 15, A. D. 1897, and ending one day before the termination of the said leases from the Kewenaw (sic) Association Limited, to the Tilden Company, that is to say ending on the 30th day of June, A. D. 1947, all the lands and premises demised by the said three leases from the Kewenaw (sic) Association, Limited, to the Tilden Company, and hereinbefore more particularly described; * * *

SECOND: The lessee hereby covenants and agrees to operate all the mines which are now known or may hereafter be discovered on the said lands, in a good and workmanlike manner, and in accordance with the requirements of good engineering, during the existence of this lease, and to pay to the lessor a royalty on all iron ore mined and removed from the lands while this lease is in force at the rate of twenty-five cents (25c) for each gross ton; and, further, and in addition thereto, to pay to the lessor hereunder the amounts due and payable to the Keweenaw Association, Limited under the said leases from the said Association to the Tilden Company, or under any modification of said leases, or any of them, which has been or may at any time hereafter be secured by the lessee herein from said Keweenaw Association, Limited, and which enures to the benefit of the Tilden Company, as well as the Oliver Company, and also the extra royalty provided for in the next article of this lease. The amount of the said royalty due to the Keweenaw Association, Limited, shall be added to and form part of the royalty due hereunder, and shall be paid by the lessee to the lessor hereunder in New York exchange payable to the order of said Keweenaw Association, Limited, and by the latter paid to the Keweenaw Association, Limited, and the lessor hereunder covenants that it will pay the same to the Keweenaw Association, Limited, accordingly, and at the respective times stipulated in the said leases from the Keweenaw Association, Limited. All royalties reserved hereby shall be due and payable

on the 15th day of every July, October, January and April in each year during the demised term (hereinafter called "quarter days") the payment on each quarter day shall be for the full amount of ore mined and removed from the said lands during the three months immediately preceding the first day of the month in which the payment shall be due.

The lessee further covenants and agrees that in each year during the existence of this lease, it will mine and remove from the lands demised hereby, at least 400,000 gorss (sic) tons (which is hereby agreed upon as a minimum annual output), and in case in any one or more years during the existence of this lease the lessee shall not actually remove the full minimum output of 400,000 gross tons, the lessee shall nevertheless pay to the lessor a ground rent for the said lands during the said year of $100,000, save as hereinafter provided; such ground rent shall be payable on the 15th day of January in each year for the year immediately preceding; provided, however, that if for any year the royalty above provided for actually paid by the lessee to the lessor shall be equal to or exceed the sum of $100,000, then the royalty so paid shall be in lieu of the said ground rent; and should the royalty paid for any one year be less than the sum of $100,000, the lessee agrees to pay to the lessor on the said 15th day of Januart, (sic) as ground rent, such a sum as will, together with the royalty paid fo (sic) such year, amount to $100,000. If in any year, or years, the lessee shall mine and remove less than the agreed minimum output for that year and in a subsequent year shall pay royalty for the agreed minimum output for such subsequent year, it shall be entitled to credit in the payment on ore mined and removed in that year in excess of such minimum to an amount equal at its face to the ground rent in excess of royalty paid for such preceeding year as aforesaid, and this provision shall apply from year to year until the amount equal to such ground rent shall be exhausted.

THIRD: The lessor hereby sells, assigns and sets over to the lessee all the improvements and machinery upon the said demised premises in consideration of the sume (sic) of $500,000, to be paid as in this article provided, and the lessor further assigns and transfers to the lessee all its right to

and by virtue of advance royalty heretofore paid by the lessor (The Tilden Company), or by those to whose interests it succeeds, which said advance royalty the lessor covenants now amounts to the sume (sic) of $36,000. The said sums of $500,000 and $36,000 shall bear interest at the rate of five per centum per annum from the date of this lease, and shall be repaid to the Tilden Company as follows: In addition to the royalty payable to the Tilden Company, and the royalty payable to the fee owners, the Keweenaw Association, Limited, above provided for, until the said sums of $500,000 and $36,000 and interest thereon shall be fully paid and discharged, the lessee hereunder shall pay the lessor hereunder an extra royalty on all iron ore mined and removed from the said lands while this lease is in force at the rate of twenty cents (20c) for each gross ton. The provisions of the second article hereof with respect to a minimum annual output of 400,000 tons, and the payment of ground rent shall apply to the extra royalty provided for by this article, so that there shall be paid for the said extra royalty, or for a ground rent in substitution said extra royalty, or at all events for the two together, the sume (sic) of $80,000 in each year, and in addition thereto twenty cents (20c) per gross ton on all ore mined and removed beyond the said minimum output of 400,000 gross tons, until the said sums of $500,000.00 and $36,000.00 and interest thereon shall be fully paid and discharged.

* * * * *

THEREFORE,

RESOLVED: That said lease and the action of the President in negotiating the same are approved and the President and Secretary of this Company are directed to duly execute and acknowledge said lease in duplicate, and to affix thereto the Corporate Seal and to deliver one of said originals to said Tilden Iron Mining Co. upon a concurrent delivery to this Company by said Tilden Co. of the other of said originals duly executed and acknowledged by the duly authorized officers of said Tilden Co.

On motion of Mr. Curry, seconded by Mr. Clemson, foregoing resolution was unanimously adopted.

* * * * *

(Directors' Meeting, May 10, 1898.)

Pittsburg, Pa., May 10th, 1898.

A meeting of the Directors was held, Present:

Mr. H. W. Oliver, President, in the Chair,
" James Gayley,
" D. M. Clemson,
" C. D. Fraser, (Secretary.)

The President submitted a form of contract between A. Lanfear Norrie, the Metropolitan Iron & Land Co. and the Oliver Iron Mining Co., in form as follows:

ARTICLES OF AGREEMENT made and entered into this ninth day of May, in the year one thousand eight hundred and ninety-eight, between A. LANFEAR NORRIE, of the City of New York, party of the first part, the METROPOLITAN IRON & LAND COMPANY, a corporation duly organized under the laws of the State of Michigan, party of the second part, and the OLIVER IRON MINING COMPANY, a corporation duly organized under the laws of the State of Minnesota, party of the third part, WITNESSETH:

WHEREAS, by agreement bearing date the 16th day of May, 1885, the party of the first part agreed under certain terms and conditions in said agreement specified, a copy of which is hereto attached and marked Exhibit "A," to assign to the party of the second part a certain lease bearing date the first day of May, 1883, made by Frederick Ayer, of Lowell, Massachusetts, to the party of the first part for the term of twenty years from the first day of May, 1883, of certain lands situated in the County of Gogebic, formerly the County of Ontonagon, in the State of Michigan, known as the South half of the Southeast quarter of Section 22 in Township Number 47 North of range number 47 West, according to United States survey thereof, containing 80 acres of land, which lease was made for the purpose of exploring for mining, taking out and removing from said land the merchantable shipping iron ore contained therein; and

which lease was subject to certain royalties therein specified; and which said agreement, among other matters, further specified that if the party of the second part decided to accept the the (sic) proposed assignment of said lease, that thereafter the party of the second part should pay to the party of the first part periodically and at least as often as the end of each year as rent or royalty due to him a sum equal to one-fifth of the net profits realized by it during such period from the mining operations on said lands, and the said party of the second part was also obliged to pay to the original lessor all rent or royalty reserved and due by the terms of the aforesaid lease and which said agreement further expressly specified in the ninth paragraph that if at or with a view to the termination of the existing lease, for twenty years the original lessor or its successors should renew the lease of said mining lands for another term of years to either of the parties to said agreement or their assigns, then the terms of said agreement should be continued in force between the parties thereto during such further term, meaning thereby that the same emoluments or compensation, royalty or rental should be paid by the party of the second part to the party of the first part for all the time it should carry on its mining operations upon the lands demised by said lease; and

WHEREAS, thereafter, the said Frederick Ayer in lieu of said mining lease bearing date the first day of May, 1883, did, with the assent and approval of the parties of the first and second parts hereto, execute and deliver to the said party of the first part a lease of the same property bearing date of January 1st, 1885, for the term of twenty years from said date; and,

WHEREAS, by agreement between the parties of the first and second parts, bearing date the thirtieth day of September, 1885, a copy of which is hereto attached marked Exhibit "B," it was agreed that the party of the second part should assume the said lease dated January 1st, 1885, on the same terms and conditions as expressed in the agreement dated May 16th, 1885, of the said lease between the said Ayer and Norrie, dated May 1st, 1883; and

WHEREAS, both of said agreements were thereafter fully completed and carried into effect by an agreement, a copy of which is hereto attached marked Exhibit "C", which bears date the 16th day of May, 1885, and which was executed between the parties hereto of the first and second parts, and Frederick Ayer of the City of Lowell, Massachusetts, and thereby the party of the first part and said Ayer did assign, transfer and set over and vest in the party of the second part hereto and aforementioned and described lease upon the terms, conditions and agreements as to compensation, which are set forth in the agreement hereto attached marked "A"; and

WHEREAS, the party if (sic) the second part has ever since the said 16th day of May, 1885, been engaged in the operation of the aforesaid lands for mining purposes and has removed large quantities of ore therefrom and the party of the third part has acquired predominating interests in the above described property and other adjoining mining properties, by reason whereof questions have arisen between the parties as to the manner of ascertaining and determining the fair net profits arising from the operation of the mine existing upon and beneath the lands and premises described in the aforesaid lease, and it has been deemed to the interests of the parties to substitute in the place and stead of the annual payment by the party of the second part to the party of the first part of one-fifth of the net profits realized by it in each and every year from the aforesaid mining operations, a payment of a fixed and determined sum on each ton of ore mined and removed; and

WHEREAS, the party of the third part is largely interested in the assets and property rights of the party of the second part;

NOW THEREFORE, THIS AGREEMENT WITNESSETH:

In place of the party of the second part hereafter and from and after the first day of January, 1898, paying to the party of the first part as rent or royalty for the use of the said mine as aforesaid, one-fifth of the net profits realized by it during each year from its mining operations there-

on, there shall be paid by the party of the second part to said party of the first part as royalty, rental, or compensation for its right to use and enjoy said mine, the sum of ten cents per ton upon each and every ton of ore mined and removed from said mine, including ore mined before but removed after January 1st, 1898.

And the parties of the second and third parts further agree that there shall be mined and removed by the party of the second part, including the year 1898 and each and every year thereafter, so long as it shall continue to operate said mine, not less than two hundred thousand tons of ore in any one year.

And the said parties of the second and third parts hereby further covenant, promise and agree with the party of the first part that they or their successors or assigns will pay to the party of the first part, his heirs, executors, administrators or assigns, as minimum rent or royalty or compensation for said premises and ores to be removed therefrom, at least the sum of Twenty Thousand Dollars in each and every year including the year 1898, payable quarterly in sums of at least $5000, each on the dates hereinafter specified, so long as they shall continue to carry on mining operations on said property or claim the right to carry on such mining operations under the lease hereinabove described or under any other lease that may be granted to the said parties of the second or third parts, or either of them, their successors or assigns, or any person in any manner claiming under them, it being, however, understood and agreed between the parties, that if the sum hereinabove specified to be paid on account of ores mined and removed from said premises in any year during the continuance of this contract, including the year 1898, shall not amount to Twenty Thousand Dollars, the excess to (sic) paid shall be applied to the payment of any excess over Twenty Tuhusand (sic) Dollars that may be payable on account of royalties or as rental or as compensation under this Agreement in any subsequent year.

And the said parties of the second and third parts hereby covenant promise and agree with the party of the first

part, his executors, adminisrtators (sic) and assigns, that they will continue until the termination of the above lease, and of any new lease of said premises that may be obtained by them, or their successors, as herein above specified, to diligently prosecute and carry on the business of mining, and removing such merchantable iron ore as may be found in or on said leased land, employing therein a reasonable number of competent miners, operatives, and laborers, with proper and skillful superintendents, mining captains and other officers, and will cause all iron ores removed from said premises to be weighed by the railroad corporation which shall transport the same and will furnish the party of the first part each month with the certificates and statements of such company or companies of the weights of all such ores transported during the month preceeding, (sic) and will also furnish monthly duplicates of all certificates furnished by the parties of the second and third parts to the original landlords of said property, and will once in three months pay to the party of the first part the full amount of rent, royalty or compensation due to him under the terms of this Agreement, to wit, the first payment for the first six months' operations of said mine on or before the twentieth day of July, 1898, and thereafter payments shall be made for all of such ores as shall have been removed from said premises during the three calendar months next preceeding (sic) that in which rent ir (sic) royalty is so payable; and in each of the months of January, April, July and October in each and every year after the first day of July, 1898, and on or before the twentieth day of each of said months, payment of all of said ores removed during the preceeding (sic) three months shall be made.

And it is Further Agreed that it is not intended hereby to compel the parties of the second and third parts, their successors and assigns, to carry on their mining operations in said demised premises in a specific manner or with any specific force, or to remove from said premises any ore in that year, but, if for any reason they shall fail to carry on operations so as to remove at least two hundred thousand tons in any one year, then the minimum rental hereinabove

specified shall be paid in the manner and upon the conditions hereinabove specified, but it is the intent and object of this Agreement that there shall be paid by the party of the second part, its successors and assigns, to the party of the first part, his heirs, executors, administrators or assigns, the full compensation, royalty or rental of ten cents per ton upon each and every ton of ore that may at any time hereafter be removed by the party of the second part, its successors and assigns, from the said premises; and to accomplish this end it is hereby expressly agreed that there shall be paid to the party of tha (sic) first part the compensation, royalty or rental of ten cents per ton hereinabove specified upon every ton of ore that may hereafter at any time be removed by the parties of the second or third parts, or either of them, their successors or assigns, from the premises hereinabove described, whether the same shall be removed under the terms of the lease hereinabove described, or under the terms and provisions of any other extended, continued, renewed, or new lease of said mining premises by the owners thereof to the parties of the second or third parts hereto, or either of them, their successors or assigns, and such royalty of ten cents per ton shall be paid to the party of the first part without reference to the fact that increased royalties or rentals may be paid by the parties of the second and third parts to the owners or landlords of said premises under any renewed, extended, continued or new lease of the said premises.

AND IT IS HEREBY FURTHER AGREED that the party of the first part, his heirs, executors, administrators or assigns and his agents and servants may at all reasonable times, examine the books, maps, papers and other documents of the party of the second part relating to above described property, to ascertain the number of tons of ore mined, and may also enter upon the premises hereinabove described, or any part thereof, peaceably, and view the same, and take all reasonable means to ascertain the condition thereof (not thereby unreasonably hindering or interrupting the proper business or operations of the parties of the second and third parts.) Such entrance upon such mine may be made for the pur-

pose of ascertaining the amount of ore removed therefrom and the correctness of the reprts (sic) of the amount of ore being removed therefrom from time to time rendered by the parties of the sedond (sic) and third parts, or either of them, their successors or assigns, to the party of the first part.

AND IT IS FURTHER AGREED, that nothing therein, or in any of the prior agreements on which this agreement is based, contained shall preclude the parties of the second and third parts, or either of them, or the respective successors or assigns of them, or eother (sic) of them or any one in any manner claiming under them, or either or any of them, from terminating at any time, the term aforesaid and the said lease and demise, in the manner in said lease provided; or from terminating at any time any extended, continued, renewed or new lease of said premises, to said second and third parties, or either of them, or their successors or assigns, or any one claiming under them or either or any of them, in the manner which may be provided in any lease, for the time being, for such termination thereof. Upon the termination, as aforesaid, of any such term and lease, the parties of the second and third parts, their respective successors and assigns and any and all persons or corporations claiming under them, shall be forthwith discharged froma (sic) all obligations and liability under this agreement, save as to such ore as may have been removed from said premises prior to such termination of any such lease.

AND IT IS HEREBY FURTHER AGREED that if the said parties of the second or third parts, or either of them, their successors or assigns, or any person in any manner claiming under them, or either of them, shall determine to terminate the term aforesaid and the said lease and demise, as in said lease provided, or to terminate any extended, continued, renewed or new lease of said premises, as may be provided in such lease, the said party of the second or third part, or the successors or assigns of one of said parties, shall before terminating any lease, give the party of the first part, his executors, administrators or assigns, a written notice of such determination at

least sixty days before taking any step to terminate such lease in the manner that may be provided therein, and thereupon said party of the first part, his executors, administrators and assigns, shall have the option, during said sixty days to require the said owner of said lease-hold estate, by written notice to that effect, to duly assign and transfer said lease to said party of the first part, his executors, administrators or assigns, subject to the consent or approval of the lessor therein (or those having his estate in the premises) instead of terminating such lease in the manner that is or maybe therein provided; and in the event of such election by the party of the first part, his executors, administrators or assigns, the party then holding said lease shall forewith (sic) duly assign and transfer the same to said party of the first part, his executors, administrators or assigns, subject to the condition that such assingment (sic) shall not be operative until the lessor, or those having his estate in the premises, shall discharge the lessee in such lease, and the parties of the second and third parts, or such of them as maybe bound to the landlord, or anyone so liable claiming under them, save such assignee, and those having his estate in the premises, from all obligation and liability under said lease thereafter to accrue. Upon such assignment and transfer, the parties of the second and third parts and their respective successors and assigns, and all parties claiming any interest in said premises under them or either of them, shall be discharged from all obligation and liability under this agreement, save as to the moneys as may be then or thereafter due under this agreement to the party of the first part, his executors, administratirs (sic) or assigns, on account of ore theretofore removed from said premises; the assignor of said lease shall covenant in said assignment to save harmless the assignee against all claims of the land lord of said premises accruing prior to such assingment (sic). In the event that said landlord shall refuse to consent to such assingment (sic) of any such lease the lessee therein, or those having its estate in the premises, may thereupon terminate such lease in the manner that is or may be in such lease provided.

IT IS FURTHER AGREED by and between the parties hereto that each and every covenant to be performed by the parties of the second or third parts is joint and several.

IN WITNESS WHEREOF THE PARTY OF THE FIRST PART hath hereunto set his hand and seal and the party of the second part hath caused these presents to be signed by its President and its corporate seal to be hereunto affixed and attested by its Secretary, and the party of the third part hath caused these presents to be signed by its President and its corporate seal to be hereunto affixed and attested by its Secretary, the day and year first above written.

(Signed) A. LANFEAR NORRIE.

Signed, sealed and delivered
in the presence of

SEAL OF
THE METROPOLITAN
IRON AND LAND CO.

METROPOLITAN IRON AND LAND COMPANY.
(signed) HENRY W. OLIVER, President,
(signed) C. D. FRASER, Secretary.

SEAL OF
OLIVER IRON MINING
COMPANY.

OLIVER IRON MINING COMPANY.
(signed) HENRY W. OLIVER, President.
(signed) C. D. FRASER, Secretary.

STATE OF PENNSYLVANIA, }
Allegheny County. } ss.:

Personally appeared before me this eleventh day of May, A. D. 1898, Henry W. Oliver, President of the Metropolitan Iron & Land Company, and C. D. Fraser, Secretary of the Metropolitan Iron & Land Company, to me known to be the persons who executed the foregoing instrument, and acknowledged the same as the act and deed of the said Metropolitan

Iron & Land Company, in accordance with the resolutions of the said Metropolitan Iron & Land Company.

(signed) ALBERT H. EAMES,
Notary Public.

STATE OF PENNSYLVANIA, } ss.:
Allegheny County. }

Personally appeared before me this eleventh day of May A. D. 1898, Henry W. Oliver, Pesident, (sic) of the Oliver Iron Mining Company, and C. D. Fraser, Secretary of the Oliver Iron Mining Company, to me known to be the persons who executed the foregoing instrument and acknowledged the same to be the act and deed of said Oliver Iron Mining Company, in accordance with the resolutions of the said Oliver Iron Mining Company.

(signed) ALBERT H. EAMES,
Notary Public.

STATE OF NEW YORK, } ss.:
County of New York, }

On this 12th day of May 1898, before me personally came A. Lanfear Norrie, to me known to be the individual described in, and who executed the foregoing Instrument, who acknowledged to me that he executed the same.

(signed) WILLIAM C. BOWERS,
Notary Public.

On motion of Mr. Gayley, seconded by Mr. Clemson, it was unanimously resolved:

That the President and Secretary are hereby authorized and directed to execute the contract with A. Lanfear Norrie as above set forth and to affix the seal of this Company thereto.

• • • • •

(Directors' Meeting, August 23, 1898.)

Pittsburgh, August 23rd, 1898.

A meeting of the directors was held. Present:

Mr. Henry W. Oliver (in the Chair.)
" H. M. Curry,
" James Gayley,
" D. M. Clemson,
" C. D. Fraser.

The President reported that the negotiations for the control of the Pioneer Mine were practically concluded. That mine is at present leased to the Pioneer Iron Co. The capital stock of that Company consists of 40,000 shares of $25.00 each. One Million dollars in all. The President had purchased all this stock as follows:

30,800 shares @ $15.00 per share,
5,200 " " 20.00 " "
4,000 " to be paid for by a royalty of 2 4/10c

per ton on all ore taken from the Pioneer Mine.

Mr. Gayley moved the adoption of the following resolution:

RESOLVED: that the action of the President in purchasing for this Company the entire capital stock of the Pioneer Iron Co. is hereby authorized and approved.

Mr. Clemson seconded the motion, which was carried unanimously.

* * * * *

The President reported that the lease of the Pioneer Mine owned by the Pioneer Iron Co. was for a short term at a high rate of royalty. It was proposed that the Pioneer Co. should surrender the existing lease, the fee-owners having agreed to make a new lease, for 50 years, at a reduced royalty, to the Oliver Iron Mining Co.

The President submitted an agreement with the fee-owners and the proposed lease, as follows:

THIS INDENTURE, Made this fifth day of August, in the year of our Lord one thousand eight hundred and ninety-eight, by and between Eliza Conan, and William J. Conan, her husband, Grace E. Pattison and Martin Pattison, her husband, William H. Pattison and Linna Pattison, his wife, all of Superior, Wisconsin, and Robert B. Whiteside and Sophia Whiteside his wife, both of Duluth, Minnesota, parties of the first pary, (sic) and the Oliver Iron Mining Company, a corporation existing under the laws of the State of Minnesota, party of the second part, WITNESSETH:

That the said parties of the first part, in consideration of the sum of One Dollar to them paid by the party of the second part, the receipt whereof is hereby acknowledged, and in further consideration of the covenants and conditions herein contained, to be kept and performed by the party of the second part, do hereby let, lease, and demise to the party of the second part, its successors and assigns, for the term of fifty years from and after the first day of January, 1899, the following described land and premises, situated in the County of St. Louis in the State of Minnesota, to-wit: The Southwest quarter (S. E.¼) (sic) of Section Twenty-seven (27), in Township Number Sixty-three (63) North of Range Number Twelve (12) West, * * * which premises are leased to the party of the second part, for the purpose of exploring for, mining, taking out and removing therefrom the merchantable shipping iron ore, which is, or which thereafter may be found on, in or under said land. * * *

The party of the second part in consideration of the premises, hereby covenants and agrees to and with the parties of the first part, that the party of the second part will on the twentieth days of April, July, October and January in each year (or on the day ensuing if that day falls on Sunday), during the period this contract continues in force, pay, to or for the use of the parties of the first part, at such Bank in the United States as the parties of the first part may from time to time in writing designate, for all the iron ore mined and removed from said land, during the three months preceeding

(sic) the first day of the month in which payment is to be made as aforesaid, at the rate of thirty-three (33) cents per gross ton of 2240 lbs.; whenever and as often as the average market value of said ore at Lake Erie ports during any such quarter shall exceed Three and 50/100 Dollars ($3.50) per gross ton, second party shall pay in addition to said thirty-three cents per ton, at the same time and place as it pays said thirty-three cents per ton, pay first parties eight per centum of such excess over three and 50/Loo (sic) Dollars ($3.50) per ton.

* * * * *

On motion of Mr. Gayley, seconded by Mr. Fraser, it was unanimously

RESOLVED: That the action of the President in executing, on behalf of this Company, the lease of the Pioneer Mine and the agreement with the fee-owners, both as above set forth, is hereby authorized and approved.

* * * * *

(Directors' Meeting, Oct. 15, 1898.)

Pittsburgh, October 15/98.

A meeting of the Directors was held. The entire Board was present. Mr. Oliver in the chair.

The Secretary submitted an option for the lease of the Savoy Mine, as follows:

OPTION.

The Midway Company, a corporation under the laws of the State of Minnesota, and John G. Brown of Duluth, Minnesota, hereby grant to The Oliver Mining Company, a corporation under the laws of the State of Minnesota, the right and option from date hereof until March 1st, 1898, to enter upon the following lands situated in the County of Saint Louis, and State of Minnesota, to wit; the east half of north west quarter (E½ of N.W. ¼) of Section twenty-six (26) in Township

sixty-three (63), Range twelve (12) west, for the purpose of mining and exploring and opening up any beds of iron ore that may exist therein, and on paying Fifty Thousand Dollars ($50,000.00) to the said The Midway Company and John G. Brown, to take a lease of said lands on or before said March 1st, 1898, for mining purposes, such lease to be in form and contain the provisions of the instruments hereto attached, marked "Exhibit A" and "Exhibit B" and hereby made a part hereof.

* * * * *

"Exhibit A."

THIS INDENTURE, made this day of in the year one thousand eight hundred and ninety-eight, between THE MIDWAY COMPANY, a corporation organized under the laws of the State of Minnesota, party of the first part, and THE OLIVER IRON MINING COMPANY, a corporation organized under the laws of the State of Minnesota, party of the second part: WITNESSETH: That the party of the first part for and in consideration of Forty Thousand Dollars ($40,000.00) does hereby license the party of the second part to enter upon the following tracts or parcels of land lying and being in the county of Saint Louis and State of Minnesota, described as follows, to wit: The undivided four-fifths (4/5) interest in the East half of the North West quarter (E. ½ of N. W. ¼) of Section Twenty-six (26) in Township Sixty-three (63) Range Twelve (12) West 4th P. M. for the purpose of exploring for, mining and removing the iron ore and other ores or minerals that may exist or be discovered on said land, for the term of Thirty (30) years from January 1st, 1898, unless this license is sooner terminated, as hereinafter provided.

IT IS HEREBY UNDERSTOOD, That the right hereby granted is a mining right to mine and carry away, under this license, the iron ore and other minerals to be found on said land, and that said party of the first part hereby grants to said party of the second part, during the time this license is in force, the same right to use the surface of said lands for mining purposes that said party of the first part would have if these presents were not executed, and no more.

IN CONSIDERATION OF THIS LICENSE, The party of the second part hereby agrees to work the mine or mines now or hereafter discovered on said lands in a good workmanlike manner, during the existence of this license, and also hereby agrees to pay to said party of the first part a royalty on all iron ore mined and removed from said premises while this license is in force, of thirty-two (32) cents per gross ton on first two million (2,000,000.) tons mined, and twenty-four (24) cents per gross ton on all mined thereafter, provided that in any year when the amount of ore mined and shipped, exceeds three hundred thousand (300,000.) tons, four (4) cents per ton shall be deducted for such years.

Said royalty shall be due and payable on the twentieth days of July, and January, of each year during the time this license is in force for all the ore mined and removed from said land during the six months preceeding the first day of the month in which payment is to be made as aforesaid.

The party of the second part having heretofore explored said lands now represents that iron ore, and possibly other minerals, exist therein, and in consideration of this license, hereby agrees to pay said party of the first part a ground rent of Twenty-four Thousand Dollars ($24,000.) per year, while this license is in force and not surrendered, whether iron ore or other minerals exist in paying quantities in said lands or not.

Said ground rent shall be payable annually on the twentieth day of January of each year, for the year ending the thirty-first day of December previous: Provided, that if the royalty paid in any year to said parties of the first part shall be equal to or exceed the sum of said ground rent, then said royalty shall be in lieu of said ground rent, and should the royalty paid in any year be less than said ground rent, said party of the second part agrees to pay such further amounts as ground rent, as will, with such royalty paid, amount to said ground rent, which shall be in full satisfaction of the ground rent hereby reserved.

* * * * *

"Exhibit B."

THIS INDENTURE, Made this day of in the year one thousand eight hundred and ninety-eight between JOHN G. BROWN an unmarried man of Duluth, Saint Louis County, State of Minnesota, party of the first part, and THE OLIVER IRON MINING COMPANY, a corporation organized under the laws of the State of Minnesota, party of the second part; WITNESSETH, That the party of the first part for and in consideration of Ten Thousand Dollars, ($10,000.00) does hereby license the party of the second part to enter upon the following tracts or parcels of land lying and being in the County of Saint Louis and State of Minnesota, described as follows, to wit: The undivided one-fifth (1/5) interest in the East half of the North West quarter (E. 1/2 of N. W. 1/4) of Section Twenty-six (26) in Township Sixty-three (63) Range twelve (12) West 4th P. M. for the purpose of exploring for, mining and removing the iron ore and other ores or minerals that may exist or be discovered on said land, for the term of Thirty (30) years from January 1st 1898 unless this license is sooner terminated, as hereinafter provided.

IT IS HEREBY UNDERSTOOD, That the right hereby granted is a mining right to mine and carry away under this license, the iron ore and other minerals to be found on said land, and that said party of the first part hereby grants to said party of the second part, during the time this license is in force, the same right to use the surface of said lands for mining purposes that said party of the first part would have if these presents were not executed, and no more.

IN CONSIDERATION OF THIS LICENSE, The party of the second part hereby agrees to work the mine or mines now or hereafter discovered on said lands in a good workmanlike manner during the existence of this license, and also hereby agrees to pay to said party of the first part a royalty on all iron ore mined and removed from said land while this license is in force, eight (8) cents per gross ton on first two million (2,000,000.) tons mined, and six (6) cents per gross ton on all mined thereafter, provided that in any year when the ore mined and shipped during such year exceed three hundred

thousand (300,000) tons, a deduction of one (1) cent per ton shall be deducted for such year.

Said royalty shall be due and payable on the twentieth days of July, and January, of each year during the time this license is in force for all the ore mined and removed from said land during the six months preceding the first day of the month in which payment is to be made as aforesaid.

The party of the second part having heretofore explored said lands now represents that iron ore, and possibly other minerals, exists therein, and in consideration of this license, hereby agrees to pay said party of the first part a ground rent of Six Thousand Dollars ($6,000.00) per year, while this license is in force and not surrendered, whether iron ore or other minerals exist in paying quantities in said lands or not.

Said ground rent shall be payable annually, on the twentieth day of January of each year, for the year ending the thirty-first of December previous: Provided, that if the royalty paid in any year to said parties of the first part shall be equal to or exceed the sum of said ground rent, then said royalty shall be in lieu of said ground rent, and should the royalty paid in any year be less than said ground rent said party of the second part agrees to pay such further amounts as ground rent, as will, with such royalty paid, amount to said ground rent, which shall be in full satisfaction of the ground rent hereby reserved.

* * * * *

On motion of Mr. Curry, seconded by Mr. Gayley, it was unanimously

RESOLVED: That the officers of this Company are hereby authorized and directed to execute, for and on behalf of this Company, the leases, from the Midway Company and John G. Brown, of the Savoy Mine.

* * * * *

(Directors' Meeting, April 22, 1899.)

Pittsburg, Pa.
April 22nd, 1899.

A meeting of the Board of Directors was held. Present:

Mr. Gayley, Vice President, in the Chair,
" Curry,
" Clemson,
" Fraser.

* * * * *

Mr. Gayley submitted an option from Corrigan, McKinney & Co., for the purchase by this Company of the control of the Buffalo, Queen, Prince of Wales and Blue Mines, known as the Negaunee group, as follows:

MINING OPTION TO THE OLIVER IRON MINING COMPANY.

We hereby propose to sell to you three mining leases on mines situated at Negaunee, Michigan, described as follows:

QUEEN MINE, situated as follows:—Sixty rods off the East side of the southeast quarter of the southwest quarter of Section Five (5), containing about thirty (30) acres, Town 47, North of Range 26 West, Marquette County, Michigan.

PRINCE OF WALES MINE, situated as follows:—Sixty (60) rods off the East side of the Northeast quarter of the Southwest quarter of Section Five (5) being all of said Northeast quarter of Southwest quarter, except the West twenty (20) rods thereof, in Township 47 North of Range 26 West, Marquette County, Michigan.

BUFFALO MINE, situated as follows:—The Northwest quarter of the Southeast quarter of Section Five (5), Township 47, North of Range 26 West, Marquette County, Michigan.

In addition we propose to sell you 37,050 shares of the capital stock of the Blue Iron Mining Company, the total capitalization of which Company consists of 40,000

shares, at $25.00 par value. This Company is the owner of the lease of the Blue Mine, situated as follows:—That portion of the Southwest quarter of the Southwest quarter of Section 5, North of main track of C. & N. W. Ry., also that portion of the West twenty rods in width off the Southeast quarter of the Southwest quarter of Section 5, North of the said Railway in Township 47, North of Range 26 West, Marquette County, Michigan.

First, this option is to run for forty-five days from the date hereof.

Second: Consideration,—You to pay $250,000.00 to the Cleveland-Cliffs Iron Company, in accordance with contract, a copy of which we submit herewith, $50,000.00 of which should be arranged for on the acceptance of the option and $50,000.00 the second day of April each year, 1899, 1900, 1901 and 1902, with interest at six per cent., payable semi-annually.

Third: You are to assume certain traffic contracts between the Lake Superior and Ishpeming Railway Company and the Queen and Blue Iron Mining Companies dated April 2nd, 1897, copies of which we also submit herewith.

In addition, you are to deliver to Corrigan, McKinney & Company, on board cars at the mine or mines $100,000.00 worth of the average grade of ore produced by these mines. The number of tons is to be determined by whatever the selling price of this ore or similar ores may be at the dates of deliveries. The deliveries are to be of equal quantities, $25,000.00 worth in the shipping season of 1899, 1900, 1901 and 1902.

Cleveland, Ohio.
November 29th, 1898.

Queen Iron Mining Company.
Blue Iron Mining Company.

To carry out the option in part an agreement had been prepared as follows:

This agreement, Made this 8th day of April, A. D. 1899, by and between Corrigan, McKinney & Company, a partnership of Cleveland, Ohio, composed of James Corrigan, Stevenson Burke and Price McKinney, and Stevenson Burke,

Price McKinney and James Corrigan, the members of said firm, parties of the first part; and the OLIVER IRON MINING COMPANY, a Minnesota corporation, hereinafter called the Oliver Company, party of the second part, WITNESSETH:

Said parties of the first part are the owners of all the Capital Stock of the Queen Iron Mining Company, an Ohio corporation.

Said Queen Iron Mining Company is or formerly was the owner of certain leasehold estates, situate in Section Five (5), in Township Forty-seven (47) North, of Range Twenty-six (26) West, in the County of Marquette and State of Michigan, to-wit: Sixty (60) Rods off the East side of the Southeast Quarter of the Southwest quarter (S. E. ¼ of S. W. ¼) of said Section Five (5), commonly known as the Queen Mine; the Northwest Quarter of the Southeast Quarter (N. W. ¼ of S. E. ¼) of said Section Five (5), commonly known as the Buffalo Mine; Sixty (60) Rods off the East side of the Northwest Quarter of the Southwest Quarter (N. E. ¼ of S. W. ¼) (sic) of said Section Five (5), commonly known as the Prince of Wales Mine.

Each and every of said leasehold estates are, by the terms of the respective leases, now subject to forfeiture, and have been or are about to be forfeited by the landlords thereof, pursuant to the terms and conditions of said lease respectively, by reason of the non-payment of ground rents and royalties reserved in said leases respectively, and of failure to work said mines to the extent required by said leases respectively.

The owners of the fee of said leasehold estates have repeatedly refused and continue to refuse to reduce the ground rent and royalty reserved in said leases, or to extend the term of said leases so long as they are held by said Queen Iron Mining Company, but said landlords are willing to lease said premises to send (sic) party at a lower royalty for a term of twenty years.

Said Queen Iron Mining Company is indebted to the Cleveland-Cliffs Iron Company, a corporation, in the sum of Two Hundred and Fifty Thousand Dollars ($250,000.00), and has secured such indebtedness by assigning and conveying to such creditor said leasehold estates. The payment of said

indebtedness by the Queen Iron Mining Company has been guaranteed by the first parties hereto. By reason of the inability of said Queen Iron Mining Company to secure a reduction of the rents and royalties in said leases reserved, said leasehold estates have been, or soon will be, wholly lost to said Queen Iron Mining Company, and thereby the security for said debt to said Cleveland-Cliffs Iron Company will be wholly lost, to the great damage of the parties of the first part.

Said Queen Iron Mining Company is the owner of certain machinery, buildings and other property heretofore or now used in the operation of said mines, and contemporaneously with the execution of this instrument, and in consideration of the payment of said debt to said Cleveland-Cliffs Iron Company, said Queen Iron Mining Company has sold said machinery, buildings and other property to said Oliver Company.

Said leasehold estates are encumbered by a certain mortgage made by the Buffalo Mining Company to George Henry Kent, dated April 4th, 1891, to secure the payment of the bonds of said Buffalo Mining Company; aggregating Three Hundred Ninety-three Thousand, Seven Hundred and Fifty Dollars ($393,750.00), and recorded in the office of the Register of Deeds of Marquette County, Michigan, on the 7th day of April, 1891, in Book 20 of Mortgages at Page 112.

First parties represent and claim that all of said bonds have been paid in full, and that there are now no valid bonds existing or outstanding which are secured by said mortgage. Said leasehold estates are also encumbered by a certain mortgage, dated January 2nd, 1892, made by said Buffalo Mining Company to Stevenson Burke, to secure the bonds of said Buffalo Mining Company, amounting in the aggregate to the sum of Three Hundred and Fifty Thousand Dollars ($350,000.00), and recorded in the office of the Register of Deeds of Marquette County, Michigan, on the 16th day of February, 1892, in Book 20 of Mortgages on Page 396, et seq.

Said mortgage last aforesaid provides among other things that after the payment and retirement of any of the

bonds secured thereby, said Buffalo Mining Company may issue other bonds of like tenor to be secured by such mortgage, and that in such event said new bonds so reissued shall constitute Class Two (2), and the Bonds originally issued and secured by said mortgage shall constitute Class One (1), and that the reissued Bonds constituting Class Two (2), and their security under said mortgage, shall be subordinate to the security of all bonds constituting Class One (1).

Each of the bonds secured by said mortgage last aforesaid are of the denomination of One Thousand Dollars ($1,000.00), and those Bonds constituting Class One (1), and numbered One (1) to three hundred and fifty (350), both inclusive, and those bonds constituting Class Two (2), are numbered Three Hundred and Fifty-one (351) to Four Hundred and Twenty-five (425), both inclusive.

The parties of the first part represent and claim that said Bonds numbered one (1) to One Hundred and Fifty (150), both inclusive, have been paid and cancelled, and that they are no longer in any ways a lien upon any of said premises.

Said first parties are now the owners of the following bonds secured by said Burke mortgage, viz. Numbers 151 to 171, both inclusive; 174 to 212, both inclusive; 217, 226 to 229, both inclusive; 236 to 245, both inclusive; 251 to 255, both inclusive, 261, 271, 272, 286 to 295, both inclusive, 301 to 307, both inclusive, 309 to 314, both inclusive, 323 to 327, both inclusive, 331 to 345, both inclusive, being in all one hundred and twenty-five bonds.

Said first parties propose to sell said Bonds to said second parties. The remaining bonds of said Class One (1), being seventy-five in all, are owned by first parties, but are held by strangers hereto as collateral security to the obligations of first parties, and their payment has been guaranteed by first parties.

First parties propose to sell said Bonds to said Oliver Company, and to deliver the same as soon as acquired by first parties. Seventy-five (75) Bonds of said Class Two (2), are held by strangers to this agreement. First parties claim that all of said bonds are subordinate to certain claims and liens against said leasehold estates aggregating some Three Hun-

dred Thousand Dollars ($300,000.00), held by said Queen Iron Mining Company.

Said Queen Iron Mining Company has contemporaneously with the execution of this agreement, and in consideration of this agreement, and the obligations of said Oliver Company to pay said debt of Two Hundred and Fifty Thousand Dollars ($250,000.00) to said Cleveland-Cliffs Iron Company, surrendered each and every of said leasehold estates, and terminated the same.

NOW THEREFORE IT IS AGREED AS FOLLOWS:

(1) The parties of the first part hereby sell, assign, transfer and set over to said Oliver Company the said two hundred bonds owned by them, and secured by said Burke mortgage. One Hundred and Twenty-five (125) of said bonds are delivered to said Oliver Company at the time of the execution of this agreement. The remaining seventy-five (75) of said bonds, first party agrees to deliver to said Oliver Co. as rapidly as they acquire the same, by paying the obligations for which such bonds are pledged, but the guaranty of the payment of said bonds by first party, shall be cancelled before the said bonds are delivered to second party.

(2) Said parties of the first part, for themselves, their heirs, successors, legal representatives and assigns, respectively, jointly and severally covenant and agree to and with said party of the second part, its successors and assigns, to indemnify and forever save harmless said Oliver Iron Mining Company, its successors and assigns, against any and all claims of every nature and description whatsoever, which may be made against said leasehold premises and other property described therein under and by virtue of said mortgage made by the Buffalo Mining Company to George Henry Kent as Trustee; and also against any and all claims and demands of every nature and description whatsoever, which may be made against said leasehold premises and property described herein, under and by virtue of said mortgage made by the Buffalo Mining Company to Stevenson Burke as trustee, except such claims that may be made under said one hundred and twenty-five bonds delivered to second party contempo-

raneously herewith, and so many of said seventy-five bonds to be hereafter delivered to second party, as may be so delivered to it.

(3) The parties of the first part, for themselves, their heirs, successors, legal representatives and assigns respectively, jointly and severally covenant and agree to and with the Oliver Iron Mining Company, its successors, legal representatives and assigns, to indemnify and forever save harmless said Oliver Iron Mining Company, its successors, legal representatives and assigns, against any and all claims of every nature and description whatsoever, which may be made against said Oliver Iron Mining Company, its successors or assigns, by any creditor of the Queen Iron Mining Company, because of the surrender of said leasehold estates, or because of the sale of said personal property to said Oliver Iron Mining Company; excepting however from this indemnity any claim which the Cleveland-Cliffs Iron Company may make for or on account of the principal sum of said debt of Two Hundred and Fifty Thousand Dollars ($250,000.00), due it from the Queen Iron Mining Company, which debt said second party has agreed to pay as hereinafter provided.

(4) The parties of the first part for themselves, their heirs, successors, legal representatives and assigns, jointly and severally covenant to and agree with the Oliver Iron Mining Company, its successors and legal representatives and assigns, that they will forever indemnify and save harmless said Oliver Iron Mining Company, against any and all claims of every nature and description whatever, which may be made against said Oliver Iron Mining Company, its successors or assigns, under and by virtue of any of the leases under which said Queen Iron Mining Company held said leasehold estates, and which estates said Queen Iron Mining Company has surrendered and terminated as aforesaid, or has attempted to surrender and terminate.

(5) The parties of the first part for themselves, their heirs, successors, legal representatives and assigns, respectively, jointly and severally guarantee and warrant to the Oliver Iron Mining Company, its successors, legal repre-

sentatives and assigns, that at the date of the sale and transfer to said Oliver Iron Mining Company by the Queen Iron Mining Company, of the Buildings, machinery, and other property hereinbefore or now used in the operation of said mines, the said Queen Iron Mining Company possessed a good, perfect and unencumbered title in and to the personal property described in the bill of sale made thereof by the Queen Iron Mining Company, and that the same are free from any and all liens and incumbrances of every name and nature whatsoever, and that the said the Queen Iron Mining Company has good right to bargain and sell the same in the manner and form in which it has so done.

(6) The parties of the first part, for themselves, their heirs, successors, legal representatives and assigns respectively covenant and agree with the Oliver Iron Mining Company, its successors and assigns, that, if said Oliver Iron Mining Company, its successors or assigns, shall enter into the possession of said premises under a lease made to said Oliver Company, by the owners of the fee of said premises, said Oliver Company, its successors and assigns, shall not lose the possession of said premises, or any of them, by virtue of a receivership, or any judicial or other proceedings, arising or growing out of any claims made under any of said leases, surrendered as aforesaid, by said Queen Iron Mining Company. And that if said Oliver Iron Mining Company, its successors or assigns, is compelled, in order to retain possession of said premises, or any part thereof, to pay any such claim or claims, first parties will forthwith upon demand, pay to said Oliver Iron Mining Company, its successors or assigns, each and every sum or sums so paid. And they will likewise, upon demand, reimburse said Oliver Iron Mining Company, its successors and assigns, all expense incurred in any litigation growing out of any such claims.

(7) Said Stevenson Burke, one of the parties of the first part, in consideration of the making of this agreement by the Oliver Iron Mining Company, has pledged to the Oliver Iron Mining Company, its successors and assigns, as collateral security to the full performance of all the obligations assumed by the parties of the first part in this agreement,

twenty-five hundred (2500) shares of the Capital Stock of the Anglo American Iron Company, a corporation duly organized under the laws of the State of Ohio with an authorized Capital Stock of Five Million Dollars, of which Three Million Four Hundred Thousand Dollars ($3,400,000) has been issued, the par value of the stock hereby pledged equalling Two Hundred and Fifty Thousand Dollars ($250,000), which said stock, said Stevenson Burke hereby authorizes said Oliver Mining Company, its successors or assigns, to hold as collateral security for the full performance by the parties of the first part of each and every of the obligations assumed in this contract by first parties, or either or any of them.

(8) In consideration of the foregoing agreements, the Oliver Mining Company covenants and agrees to and with the parties of the first part, that it will pay the principal of said debt of Two Hundred and Fifty Thousand Dollars ($250,000), owing to the Cleveland-Cliffs Iron Company by the Queen Iron Mining Company, and that it will forever indemnify and save harmless said parties of the first part and each of them, and their heirs, legal representatives, and assigns, respectively, against all claims which said Cleveland-Cliffs Iron Company may make against said parties of the first part, or any of them, or against the said Queen Iron Mining Company on account of the principal sum of said debt of Two Hundred and Fifty Thousand Dollars ($250,000).

It is understood that the purpose of giving the collateral herein mentioned is to indemnify and save harmless said Oliver Mining Company upon account of any outstanding bonds secured or purporting to be secured upon the leasehold premises in question; and that whenever or as soon as said bonds by any means which may be adopted cease to be a possible or probable lien upon the premises in question, that the stock so turned over and deposited with said Oliver Mining Company as security, shall be forewith (sic) returned to said Stevenson Burke.

It is further understood that if at any time the said Burke shall need to make use of the said stock, or to dispose of the

same, that the said Oliver Mining Company will accept other stock or other security of equal value in lieu thereof, and surrender said two thousand five hundred shares of stock so deposited, to the said Stevenson Burke.

IN WITNESS WHEREOF, said Corrigan, McKinney & Company has caused these presents to be duly executed and its partnership name to be signed by James Corrogan, (sic) one of the partners duly authorized, and said Burke and Corrigan have duly executed these presents, and said Oliver Mining Company has caused these presents to be signed by its duly authorized officers, and its corporate seal to be hereunto affixed, all on the day aforesaid.

Corrigan, McKinney & Company.			Oliver Iron Mining Company by
(Signed) Stevenson Burke		(Signed)	James Gayley,
" James Corrigan			Vice President
" Price McKinney	Attest	"	C. D. Fraser,
			Secretary.

It was decided to acquire the group of Mines and it was unanimously

RESOLVED That the President and Secretary are hereby authorized and empowered to do any and all things and execute any and all instruments necessary to be done and executed to acquire the control of the Buffalo, Queen, Prince of Wales, and Blue Mines, under the option from Corrigan, McKinney & Co.

Mr. Gayley reported that one quarter of the fee of the Queen, Prince of Wales and Blue Mines could be purchased for the sum of $131,500 and submitted a conveyance to this Company as follows:

THIS INDENTURE, Made this 8th day of April, in the year of our Lord one thousand, eight hundred and ninety-nine, between EDWARD N. BREITUNG and CHARLOTTE G. BREITUNG, his wife, of the City of Marquette, Marquette County, Michigan, and MARY KAUFMAN (formerly Mary Breitung, and wife of Edward Breitung, deceased) of the same place, parties of the

first part, and THE OLIVER IRON MINING COMPANY, a corporation organized under the laws of Minnesota, party of the second part,

WITNESSETH: That the said parties of the first part, for and in consideration of the sum of One hundred and thirty-one thousand, five hundred Dollars ($131,500), the receipt whereof is hereby confessed and acknowledged, do by these presents grant, bargain, sell, remise, release and forever QUIT-CLAIM unto the said party of the second part, and to its successors and assigns forever, an undivided one quarter part of all those certain pieces or parcels of land situate, lying and being in the county of Marquette and State of Michigan, known and described as follows, to-wit:

Sixty (60) rods off the East side of the Southeast quarter (S. E. ¼) of the Southwest quarter (S. W. ¼) of Section Five (5) Township Forty-seven (47) North of Range Twenty-six (26) West; also sixty (60) rods off of the East side of the Northeast quarter (N. E. ¼) of the Southwest quarter (S. W. ¼) of Section Five (5) Township and Range aforesaid; also the West twenty (W 20) rods of the Southeast quarter (S. E. ¼) of the Southwest quarter (S. W. ¼), and that portion of the Southwest quarter (S. W. ¼) lying North of the right of way of the Chicago and Northwestern Railway Company over said quarter, both in said Section Five (5) Township and Range aforesaid. The said EDWARD N. BREITUNG hereby conveying said one quarter (¼) part of said lands subject to the dower interest of said MARY KAUFMAN (formerly Mary Breitung therein as widow of the late Edward Breitung, deceased), and the said MARY KAUFMAN hereby conveying her said dower interest in said undivided one quarter (¼) part of said lands.

Together with all and singular the hereditaments and appurtenances thereunto belonging to or in any wise appertaining: TO HAVE AND TO HOLD the said undivided one-quarter (¼) part of said lands to the said party of the second part, and to its successors and assigns, to the sole and only proper use, benefit and behoof, of the said party of the second part, its successors and assigns forever.

IN WITNESS WHEREOF, The said parties of the first part have hereunto set their hands and seals the day and year first above written.

Signed, sealed and delivered
in the presence of
(Signed) CHESTER A. CONGDON
(Signed) S. E. STONE

(Signed) EDWARD N. BREITUNG,
(SEAL)
(Signed) CHARLOTTE G. BREITUNG,
(SEAL)
(Signed) MARY KAUFMAN,
(SEAL)

STATE OF OHIO, } ss.:
County of Cuyahoga }

On this 8th day of April, in the year one thousand eight hundred and ninety-nine, before me, the subscriber, a Notary Public in and for said County personally appeared Edward N. Breitung & Charlotte Breitung, his wife, and Mary Kaufman, to me known to be the same persons described in, and who executed the within instruments, who each acknowledged the same to be their free act and deed.

S. E. STONE, Notary Public.
In and for said County.

It was unanimously

RESOLVED: That this Company purchase one fourth of the fee of the Queen, Prince of Wales and Blue Mines for the sum of $131,500.00.

Mr. Gayley reported that he had negotiated a new lease, to this Company, from the fee owners of the Buffalo, Queen, Prince of Wales and Blue Mines, as follows:

THIS INDENTURE OF LEASE, Made this first day of January, in the year of our Lord one thousand, eight hundred and ninety-nine, by and between the ARCTIC IRON COMPANY, THE

PIONEER IRON COMPANY, corporations under the laws of the State of Michigan, EDWARN (sic) N. BREITUNG and CHARLOTTE G. BREITUNG, his wife, and MARY KAUFMAN? (sic) of Marquette, Michigan, parties of the first part and lessors, and the OLIVER IRON MINING COMPANY, a Minnesota corporation, party of the second part and lessee.

WITNESSETH:

FIRST.—The said parties of the first part do hereby license the party of the secons (sic) part, its successors and assigns, to enter upon the following described lands, all situate in the County of Marquette, State of Michigan, and more particularly described as follows to wit:

PARCEL 1P (sic) The Northwest quarter of the Southeast quarter of Section five (5), Township forty-seven (47) North, Range twenty-six (26) West, commonly known as the "Buffalo Mine," and containing about forty (40) acres of land.

PARCEL 2: Sixty (60) rods off the East side of the Southeast quarter of the Southwest quarter of Section five (5) in said Township and Range, commonly known as the "Queen Mine," and containing about thirty (30) acres of land.

PARCEL 3:—Sixty (60) rods off the East side of the Northeast quarter of the Southwest quarter of Section five (5) in said Township and Range, commonly known as the "Prince of Wales Mine," and containing about thirty (30) acres of land.

PARCEL 4: The West twenty (20) rods of the Southeast quarter of the Southwest quarter, and that portion of the Southwest quarter of the Southwest quarter lying North of the right of way of the Chicago & Northwestern Railway Company over said quarter; both of said section five (5), in said Township and Range, commonly known as the "Blue Mine," and containing about thirty-six acres of land. (Excepting and reserving, however, from all of said four parcels the surface thereof covered by the vested rights of way of the Chicago and North-Western Railway Company, the Lake Superior and Ishpeming Railway Company, and the Du-

luth, South Shore and Atlantic Railway Company, as shown by the records of said Marquette County, Michigan, at the date of this indenture);

To exclusively explore for, mine, dig and carry away the iron ore that may exist in or on said lands, or any part thereof, for the term of twenty (20) years from and after the date hereof, and until the first day of January, A. D. 1919, unless this license is sooner terminated as hereinafter provided.

SECOND: In consideration of this license, the party of the second part hereby agrees to work the mine or mines now or hereafter discovered on said lands, or any part thereof, in a good, workmanlike manner during the existence of this license; and also hereby agrees to pay to said parties of the first part a ground rent for the lands occupied by the party of the second part in exploring for or mining such iron ore, and also a royalty on all iron ore removed from said premises or any part thereof during the existence of this license, as follows, that is to say:

THIRD: Said party of the second part shall pay to the said parties of the first part an annual ground rent of thirty-seven thousand five hundred dollars ($37,500.00) during the existence of this license, payable as follows, to-wit: Quarterly on the twentieth (20th) days of January, April, July and October for the three (3) calendar months next preceding the month in which such payment is made in each year during the existence of this license.

FOURTH: The party of the second part having heretofore explored said lands, now represents that iron ore exists therein, and in consideration of this license hereby agrees to pay said ground rent while this license is in force and not surendered (sic) or otherwise terminated, whether iron ore exists in paying quantities in said lands or not.

FIFTH: Said party of the second part shall, in addition to such ground rent, pay to said parties of the first part a royalty on all iron ore removed from said lands, of twenty-five cents (25) per gross ton on all Bessemer Iron ore, fifteen (15) cents per gross ton on all non-bessemer iron ore assaying more than fifty-nine per cent of metallic iron, and

ten (10) cents per gross ton on all non-Bessemer iron ore assaying fifty-nine (59) per cent of metallic iron, or less. All iron ore which will yield sixty-one (61) per cent. of metallic iron, and not to exceed sixty-one thousandths (.061) of one (1) per cent of phosphorus, and all ore yielding more than sixty-one (61) per cent in metallic iron, in which the ratio of phosphorus to that of metallic iron does not exceed that above specified, shall be conclusively held and deemed Bessemer Ore, and the party of the second part shall use reasonable care and diligence to produce as much such Bessemer ore as possible.

SIXTH: Said royalty shall be due and payable quarterly on the twentieth (20th) days of January, April, July and October of each year, for all iron ore removed from said lands during the three calendar months preceding the month in which the royalty is paid, as aforesaid.

SEVENTH: The royalties at the rates aforesaid, due each year, on all ore removed during such year, up to the sum of thirty-seven thousand five hundred dollars ($37,500.00), shall be applied toward the payment of the ground rent of thirty-seven thousand five hundred dollars ($37,500.00) herein required to be paid; it being understood that second party shall be liable to pay said ground rent in any event each year, and, in addition, any royalties in excess of thirty-seven thousand five hundred dollars ($37,500.00) at the rates aforesaid on all ore removed from said premises in said year: Provided, however, that if, in any year, the amount so actually paid as rent shall exceed the amount of royalties at the rates above provided, on ore actually removed during such year, then the excess so paid as rent may be applied on royalties for ore actually removed in any subsequent year, in excess of an amount of ore which, at the rates of royalty aforesaid, would equal thirty-seven thousand, five hundred dollars ($37,500.00) for each such subsequent year.

* * * * *

It was unanimously

RESOLVED: That this Company take a lease of the Buffalo, Queen, Prince of Wales and Blue Mines as hereinbefore set forth.

Mr. Gayley reported that to secure the Negaunee group of mines it had been found necessary to allow the Cleveland-Cliffs Iron Co. to become copartners to the extent of a one-fourth interest and submitted an agreement, with W. G. Mather, Trustee, as follows:

THIS AGREEMENT, Made this 10th day of March, A. D. 1899, between THE OLIVER IRON MINING COMPANY, a corporation existing under the laws of the State of Minnesota, party of the first part, and WILLIAM G. MATHER, as TRUSTEE, and his successor or successors in the office of President of The Cleveland-Cliffs Iron Company, a corporation, party of the second part,

WITNESSETH:

FIRST PARTY expects to secure a mining lease from the owners in fee simple of the following described lands, all situate in the County of Marquette, State of Michigan, and more particularly described as follows, to-wit:

PARCEL 1.—The North-west quarter of the south-east quarter of Section 5, Township Forty-seven (47) North, Range Twenty-six (26) West, commonly known as the "BUFFALO MINE," and containing about forty (40) acres of land.

PARCEL 2.—Sixty (60) rods off the East Side of the South-East quarter of the South-West quarter of Section Five (5) in said Township and Range, commonly known as the "QUEEN MINE," and containing about thirty (30) acres of land.

PARCEL 3.—Sixty (60) rods off the East side of the North-East quarter of the South-West quarter of Section Five (5), in said Township and Range, commonly known as the "PRINCE of WALES MINE," and containing about thirty (30) acres of land.

PARCEL 4.—The West twenty (20) rods of the South-East quarter of the South-West quarter, and that portion of the South-West quarter of the South-West quarter lying North of the right-of-way of The Chicago and North-Western Railway Company over said quarter,—both of said Section Five (5), in said Township and Range, commonly known as the "BLUE MINE," and containing about thirty-six (36) acres of land.

(Excepting and reserving, however, from all of said four parcels, the surface thereof covered by the vested rights-of-way of The Chicago and North-Western Railway Company, The Lake Superior and Ishpeming Railway Company, and The Duluth, South Shore and Atlantic Railway Company, as shown by the records of said Marquette County, Michigan, at the date of this indenture.)

The copy of said proposed lease is hereto attached, marked "Exhibit A," and hereby made a part hereof.

The cost of securing such lease is expected to be about Two hundred and fifty Thousand Dollars (250,000.00) in cash, and One Hundred Thousand Dollars ($100,000.00) worth of ore from said property.

First party further expects to purchase in fee simple, an undivided one-fourth of said Parcels Nos. 2, 3, and 4, for the sum of One Hundred and thirty-one thousand five hundred Dollars ($131,500.00).

The existing leasehold estate in said premises is mortgaged or otherwise pledged to the said The Cleveland-Cliffs Iron Company.

The owner of the existing leasehold estate in said premises has contracted with The Lake Superior and Ishpeming Railway Company to ship exclusively over the line of railroad of said Company, until April 2nd, A. D. 1902, or until such further time as shall elapse until the shipments hereinafter described amount to One million three hundred and fifty thousand (1,350,000) tons, all the iron ore mined from said premises and destined for shipment to lower lake ports other than ports on Lake Michigan.

The rent or royalty under said existing leases is so high that the present lessees are unable to operate said mines, and

it is expected that the existing leasehold estates in said premises will, in the near future, be either forfeited or surrendered, in which event first party expects to acquire said new lease and said undivided interest.

In consideration of the premises, the parties hereto mutually agree:

First: In the event that the first party acquires said lease, the parties hereto will forthwith cause a corporation to be organized under the laws of the State of West Virginia, with an authorized capital stock of Five Hundred Thousand Dollars ($500,000.00), divided into five thousand (5,000) shares of the par value of One Hundred Dollars ($100.00) each, of which five hundred Dollars ($500.00) par value, shall be subscribed, and Two Hundred and forty-nine Thousand five hundred Dollars ($249,500.00), par value, shall be issued as full paid, in consideration of the assignment of said lease to said Company. The name of such corporation shall be "The Regent Iron Company." The directors of said corporation shall be seven (7) in number, of whom first party shall nominate five (5), and second party two (2). Three-fourths of the Two Hundred and fifty thousand Dollars ($250,000.00) par value of the capital stock of said corporation to be issued as above provided, to-wit, eighteen hundred and seventy-five (1875) shares, shall go and be issued to said first party, and one-fourth thereof, to-wit, six hundred and twenty-five (625) shares, shall go and be issued to said second party.

Said new corporation shall be furnished with a working capital of Two Hundred Thousand Dollars ($200,000.00) in the following manner, to-wit: The said first party shall subscribe for, at par, and take, fifteen hundred (1,500) shares of the Treasury stock, and said second party shall subscribe for, at par, and take, five hundred (500) shares of the Treasury stock. The remaining stock in the Treasury of the Company shall be left there, and only used for such purposes as may be unanimously agreed on by all the stockholders; and in any further issues of stock, said first party shall be entitled, on equal terms, to three-fourths thereof, and said second party, to one-fourth thereof.

SECOND: Upon the organization of said new corporation, as aforesaid, first party shall forthwith duly transfer said lease to such new corporation, shall receive three-fourths of the capital stock of said new corporation issued therefor as above provided, and shall pay three-fourths of all considerations paid for obtaining said new lease, and said second party shall receive one-fourth of said stock, and shall pay one-fourth of all such considerations.

THIRD: Upon the acquisition by first party of the fee of the undivided one-fourth of said premises, it will forthwith duly convey to second party an undivided one-fourth of the interest so acquired by it and second party shall thereupon pay in cash to said first party, one-fourth of the entire purchase price paid for said interest by said first party. Such conveyance shall be by deed of quit-claim, save that the deed shall contain covenants against the grantor's acts.

FOURTH: The Cleveland-Cliffs Iron Company, of which said second party is President, having a stock interest in the Lake Superior and Ishpeming Railway Company, and also having a stock interest in the capital stock of The Arctic Iron Company, and being interested in The Pioneer Iron Company, two of the lessors in said new lease, it is agreed that as a condition of issuing said new lease, said new corporation, when the same is assigned to it, shall agree in all respects to carry out and perform the traffic contract now existing between The Queen Iron Mining Company and The Blue Iron Mining Company, and The Lake Superior and Ishpeming Railway Company, copies of which are hereto attached, marked "Exhibits B" and "C," and hereby made a part hereof; it being agreed that at the date of this agreement, Two Hundred and nineteen Thousand one hundred and forty-seven and 970/2240 tons (219,147 and 970/2240) have been carried under said contract.

FIFTH: Each of the parties hereto shall be entitled to buy of the new corporation, at the actual cost of mining, f. o. b. cars at the mines, the same proportion of the entire annual product of said mines as it or he may for the time being hold of the stock of the new corporation; which right of purchase shall be in lieu of all other profits and

dividends on stock. The by-laws of said new corporation shall provide that all profits shall be divided only as aforesaid, and not as dividends upon stock; and said by-laws shall also, provide that in this respect they cannot be amended or changed except by the unanimous vote of all the stock of said new corporation. The books of account of the new corporation shall at all reasonable times be open to the inspection of the parties hereto, so long as the party desiring such inspection may own any stock in such new corporation, and during such period such party shall have monthly cost sheets and all other information concerning the affairs of such corporation, on demand (reasonable time always being allowed for the furnishing of such information).

SIXTH: Neither of the parties hereto shall sell any stock in said new corporation, without first offering such stock to the other party for thirty (30) days, at the price for which such party expects in good faith, and is willing, to sell such stock to other parties.

SEVENTH: If second party shall be unable or unwilling for any reason, in any year, to take any part or all of his proportion of the ore mined, first party shall be required, at the option of said second party, to purchase the same of such new corporation at cost on the cars at the mine. But first party shall not be required to so purchase such ore in any year, unless second party shall, on or before the time at which contracts are made in that year for the transportation of ore by vessel, give first party written notice of the amount of ore he requires first party to take that year under this provision.

EIGHTH: Second party agrees that said The Cleveland-Cliffs Iron Company will, upon the payment of its debt, duly deliver to the party or parties entitled thereto, all the property pledged to it as collateral to said debt and existing traffic agreement.

NINTH: This agreement is made by second party for the benefit of The Cleveland-Cliffs Iron Company, and also for the benefit of The Lake Superior and Ishpeming Railway Company so far as it insures the carrying out of said traffic

agreements. Said second party represents and covenants to and with first party that he is fully empowered by The Cleveland-Cliffs Iron Company to make this contract for it. Said second party's interest under this agreement and in all property to be acquired by him hereunder is to be held by him and all successors to him in the Presidency of The Cleveland-Cliffs Iron Company for the benefit of that Company, its successors and assigns.

And, whereas, Said The Lake Superior and Ishpeming Railway Company and The Cleveland-Cliffs Iron Company now have certain rights-of-way for, and are interested in certain mine and yard railway tracks, spurs and sidings over certain parts of said above described premises, which are now in use by said Railway Company or said The Cleveland-Cliffs Iron Company, and for which they have no vested record title from the owners of the fee title to said premises:

Now, therefore, it is mutually understood and agreed that said The Regent Iron Company will recognize said ownership and title and will confirm said possession, and will, on demand, execute and deliver to said Railway Company or said The Cleveland-Cliffs Iron Company, a license and grant to continue said railway tracks, spurs and sidings during the existence of said lease, similar in terms to the grants and licenses now existing therefor, and under which said tracks spurs and sidings were constructed or acquired, but only to the full extent lawful for said The Regent Iron Company to do under said lease which it proposes to acquire as aforesaid.

In witness whereof, The said The Oliver Iron Mining Company has caused its corporate name to be hereto subscribed by its Vice-President and its corporate seal to be hereto attached, and these presents to be attested by its Secretary; and the said William G. Mather has hereunto sub-

scribed his name, as Trustee, all the day and year first herein above written.

THE OLIVER IRON MINING COMPANY,
By JAMES GAYLEY, Vice-President.

Attest:
C. D. FRASER,
Secretary.

WM. G. MATHER,
Trustee.

It was unanimously

RESOLVED: That the officers of this Company are hereby authorized and directed to subscribe for $187,500, at par, of the capital stock of the Regent Iron Co., for cash.

RESOLVED: That the officers of this Company are hereby authorized and directed to assign, to the Regent Iron Co., the lease of the Buffalo, Queen, Prince of Wales and Blue Mines, for $249,500 at par of the capital stock of the Regent Iron Co.

RESOLVED: That the officers of this Company are hereby authorized and directed to assign to W. G. Mather, Trustee, or his nominee, one-fourth of the one-fourth (1/16th) of the fee of the Queen, Prince of Wales and Blue Mines, for one-fourth of the cost of said one-fourth of the fee, to be paid, in cash, to this Company, by said W. G. Mather.

RESOLVED: That the officers of this Company are hereby authorized and directed to carry out in all respects the contract, as hereinbefore set forth, with W. G. Mather, Trustee.

(Special Stockholders' Meeting, April 22, 1899.)

Pittsburgh, Pa.,
April 22nd, 1899.

A special meeting of the stockholders was held. The entire capital stock of the Company was represented in person or by proxy. Mr. Gayley took the Chair.

The minutes of the meeting of the directors held this day were read. On motion, duly seconded, it was unanimously resolved:

That the actions of the directors in regard to the Buffalo, Queen, Prince of Wales & Blue Mines (the Negaunee group) are in every respect approved, ratified and confirmed.

There being no further business, the meeting, on motion, adjourned sine die.

C. D. FRASER, Secretary.

(Special Stockholders' Meeting, June 6, 1899.)

PITTSBURGH, JUNE 6TH, 1899.

A special meeting of the stockholders was held, at 11 A. M. The President in the Chair. Mr. H. C. Daft acted as Secretary of the meeting. The entire capital-stock of the Company was represented in person or by proxy.

The President reported he had negotiated for the purchase of certain mining properties in St. Louis County, Minnesota, described as follows:— "The undivided one-half (½) of the East half (½) of the North-East quarter of Section Seventeen (17) in Township fifty-eight (58), North of Range Seventeen (17) West, and also the undivided half (½) of the West half of the South-West quarter of Section Twenty-six (26) in said Township, in St. Louis County, Minnesota, subject to certain railroad rights of way." The price therefor to be Five Hundred Thousand ($500,000.00) Dollars, payable Two Hundred Thousand Dollars ($200,000.00) in cash, and the remainder in four equal annual installments bearing interest at four and one-half per cent. (4½%) per annum, payable semi-annually, the deferred payment to be secured by mortgage upon the premises, and also by the guaranty of the Carnegie Steel Company, Limited, and the Oliver & Snyder Steel Company. The chair further recommended that the Stockholders confirm said purchase, and authorize the execution of the necessary papers.

Whereupon the following resolution was offered, and on motion by Mr. James Gayley, seconded by Mr. D. M. Clemson, was unanimously adopted:

"WHEREAS this Corporation has purchased of Frank W. Higgins and others, the following described property situate in St. Louis County, Minnesota, viz:— The undivided one-half (½) of the East half (½) of the North-East quarter of Section Seventeen (17) in Township fifty-eight (58), North of Range Seventeen (17) West, and also the undivided half (½) of the West half of the South-West quarter of Section Twenty-six (26) in said Township, in St. Louis County, Minnesota, subject to certain railroad rights of way for the agreed price of Five Hundred Thousand Dollars ($500,000.00) of which Two Hundred Thousand Dollars ($200,000.00) is to be paid in cash at the time of the delivery of the deeds therefor, and the remaining Three Hundred Thousand Dollars ($300,000.00) is to be paid in four (4) equal annual payments, with interest thereon, payable semi-annually, at the rate of four and one-half per cent. (4½) per annum, which payments are to be evidenced by the negotiable promissory notes of this Corporation, and to be secured by a mortgage on said premises duly executed by this Corporation.

Now therefore, RESOLVED that the President and Secretary of this Company be, and they hereby are, empowered and directed to execute such notes, in such amounts, payable at such places, and to execute such mortgage, in such form, as shall be satisfactory to said Frank W. Higgins and, when duly executed, the payment of such notes is to be guaranteed by The Carnegie Steel Company, Limited, and the Oliver & Snyder Steel Company, and thereupon said notes and mortgage shall be by said officers delivered to said Frank W. Higgins."

There being no further business before the meeting, on motion, adjourned.

H. C. DAFT,
Secretary Protem

(Directors' Meeting, October 16, 1899.)

A meeting of the Board of Directors was held. There were present, Messrs.

Henry W. Oliver, President, in the chair,
James Gayley,
D. M. Clemson,
C. D. Fraser, Secretary.

The President reported that he had purchased, at $31.75 per share, substantially the entire capital stock (10,000 shares) of the Security Land & Exploration Company. He said that that Company is the owner of large and promising tracts of land on the Missabe Range, including the fee of the Sparta mine.

On motion of Mr. Clemson, seconded by Mr. Gayley, it was unanimously

RESOLVED, that the action of the President in purchasing the stock of the Security Land & Exploration Company at $31.75 per share, be and is hereby approved.

The President reported that he had purchased, at $45.00 per share, substantially the entire capital stock (84,000 shares) of The Lake Superior Iron Company. He stated that The Lake Superior Iron Company owns a fleet of six (6) steel steamships and extensive fee properties and iron ore mines on the Marquette Range.

On motion of Mr. Clemson, seconded by Mr. Gayley, it was unanimously

RESOLVED, that the action of the President in purchasing the stock of the Lake Superior Iron Company, at $45.00 per share, be and is hereby approved.

The President reported that to secure the stock of the Lake Superior Iron Company he had been compelled to pay a commission of $50,000.00 to Mr. W. D. Rees and a commission of $5,000.00 to Mr. C. F. Rand.

On motion of Mr. Gayley, seconded by Mr. Clemson, it was unanimously

RESOLVED, that the action of the President in paying the commissions, amounting to $55,000.00, on the purchase of the stock of the Lake Superior Iron Company, be and is hereby approved.

The President reported that in order to secure the stock of the Lake Superior Iron Company he had been compelled to permit the Cleveland-Cliffs Iron Company to participate in the purchase to the extent of one-fourth (¼) of all the shares acquired; they to pay $45.00 per share for their proportion and also one-fourth (¼) of all expenses and commissions.

On motion of Mr. Gayley, seconded by Mr. Fraser, it was unanimously

RESOLVED, that the action of the President in permitting the Cleveland-Cliffs Iron Company to participate in the purchase of the stock of the Lake Superior Iron Company to the extent of one-fourth (¼) of all the shares acquired, be and is hereby approved.

The President reported that he had purchased, at $8.00 per share, substantially the entire capital stock (100,000 shares) of the Aurora Iron Mining Company; that Company being the owner of the leases of the Gogebic Range Aurora mine.

On motion of Mr. Clemson, seconded by Mr. Gayley, it was unanimously

RESOLVED, that the action of the President in purchasing the stock of the Aurora Iron Mining Company be and is hereby approved.

The Assistant Treasurer reported that he had purchased, for the sum of $20,000.00, a lease of the Stephens mine, on the Missabe Range, at a royalty of fifteen cents (15c.) per ton and a minimum of 100,000 tons, free from any traffic contract.

On motion of Mr. Fraser, seconded by Mr. Clemson, it was unanimously

RESOLVED, that the action of the Assistant Treasurer in securing the lease of the Stephens mine, be and is hereby approved.

The Assistant Treasurer reported that the owners of 1,538 shares of the stock of the Mastodon Iron Company had declined to sell their stock for less than $5.00 per share, and that he had purchased these shares at that price, thus securing the entire capital stock of the Mastodon Iron Company.

On motion of Mr. Fraser, seconded by Mr. Clemson, it was unanimously

RESOLVED, that the action of the Assistant Treasurer in purchasing the 1,538 shares of the capital stock of the Mastodon Iron Company at $5.00 per share be and is hereby approved.

The Assistant Treasurer reported that to secure these 1,538 shares of stock of the Mastodon Iron Company it was necessary to pay a commission of fifty cents (50c.) per share on 1,338 shares and $1.00 per share on the remaining 200 shares.

On motion of Mr. Fraser, seconded by Mr. Clemson, it was unanimously

RESOLVED, that the action of the Assistant Treasurer in paying a commission of fifty cents (50c.) per share on 1,338 shares and $1.00 per share on 200 shares of the stock of the Mastodon Iron Company be and is hereby approved.

The Assistant Treasurer reported that as this Company now owns the entire capital stock of the Mastodon Iron Company, it is advisable that the business of that Company should be carried on by the Oliver Iron Mining Company. He further stated that the net assets of the Mastodon Iron Company are of the value of $19,193.99, and in addition the lease of the Dober mine.

On motion of Mr. Clemson, seconded by Mr. Fraser, it was unanimously

RESOLVED, that this Company take over the business of the Mastodon Iron Company, including its lease of the Dober mine, assuming all the liabilities of that Company and receiving all its assets and property. The transfer to be made by due resolutions of the officers and stockholders of the Mastodon Iron Company.

The President reported that he had purchased, for the sum of $18,000.00, the fee of the west half of the northwest quarter (W. ½ of N. W. ¼) of Section Nineteen (19) 47.27, on the Marquette Range, known as the "Goodrich Mine."

On motion, duly seconded, it was unanimously

RESOLVED, that the purchase of the "Goodrich Mine," be and is hereby approved.

Mr. Clemson reported that he had purchased from J. Thoburn Gibson his options to take leases on: Northwest quarter of Northwest Quarter (N. W. ¼ of N. W. ¼) Section 15. East half of Southeast Quarter (E. ½ of S. E. ¼) Section 9. West half of Southwest Quarter (W. ½ of S. W. ¼) Section 10. West Half of Southeast Quarter (W. ½ of S. E. ¼) Section 9. Northeast Quarter of Northeast Quarter (N. E. ¼ of N. E. ¼) Section 16, all in Township 44, Range 33; and all believed to contain deposits of iron ore; for the sum of $5,000.00 cash, $10,000.00 upon taking a lease or leases, and $35,000.00 at the rate of 10c. per ton on ore mined from the property.

On motion, duly seconded, it was unanimously

RESOLVED, that the action of Mr. Clemson, in purchasing the Gibson options be and is hereby approved.

The Assistant Treasurer reported that he had purchasd one-fourth (¼) of the fee of entire Section 25, 43.34, known as the "Chicagoan Lake Mine," for the sum of $3,000.

On motion, duly seconded, it was unanimously

RESOLVED, that the purchase of ¼th of the fee of the "Chicagoan Lake Mine" be and is hereby approved.

The Assistant Treasurer reported that in order to secure control of the "Chicagoan Lake Mine," it had been necessary to loan Mr. Geo. M. Wakefield $10,000.00, payable in one, two, three, four and five years, with interest at six per cent, payable annually, secured by mortgage on one-fourth of the fee of the West Half of the Northeast Quarter (W. ½ of N. E. ¼) of Section 26, 43.34.

On motion, duly seconded, it was unanimously

RESOLVED, that the action of the Assistant Treasurer in making loan to Mr. Geo. M. Wakefield be and is hereby approved.

The Assistant Treasurer reported that he had purchased from Mr. M. Gleason, for the sum of $8,000.00, his option to take a lease of the North Half of the North-West Quarter (N. ½ of N. W. ¼) of Section 9 44-33, known as the "Michigan Mine."

On motion, duly seconded, it was unanimously

RESOLVED, that the purchase of the "Michigan Mine" be and is hereby approved.

The Assistant Treasurer reported that he had secured a lease of the Mueller mine on the Menominee Range at a cost of $10,000.00, payable $3,000.00 in cash, and $7,000.00 at the rate of one and four-tenths cents (1-4/10c.) per ton additional royalty on ore mined from the property.

On motion, duly seconded, it was unanimously

RESOLVED, that the action of the Assistant Treasurer in securing the lease of the Mueller mine and paying $3,000.00 cash for the same be and is hereby approved.

There being no further business, the meeting adjourned sine die.

C. D. FRASER,
Secretary.

(Directors' Meeting, November 6, 1899.)

A meeting of the Board of Directors was held at the Company's office, Carnegie Building, Pittsburgh, Pa., November 6, 1899.

There were present,

Messrs. Henry W. Oliver, President, in the chair.
James Gayley,
D. M. Clemson,
C. D. Fraser, Secretary.

* * * * *

The Assistant Treasurer reported that he had purchased a lease, having 11 years to run, at a royalty of 25c per ton.

of the E. ½ of Lot 5 and all of Lots 6 and 7 of Section 36, Township 48, Range 27, known as the "Hartford" Mine, for the sum of $75,000.00. He stated that Mr. Peter White, representing Mr. Flower, both of them fee owners of this property, had proposed to give a new lease conforming to the lease of the "Cambria" mine (which adjoins the Hartford mine); the Cambria lease being on better terms than the existing Hartford lease.

On motion of Mr. Clemson, seconded by Mr. Fraser, it was unanimously

RESOLVED, that the action of the Assistant Treasurer, in purchasing the lease of the Hartford mine be and is hereby approved.

* * * * *

(Directors' Meeting, November 25, 1899.)

Board Meeting November 25, 1899.

A meeting of the Directors was held at the office of the Company, Carnegie Building, Pittsburgh, Pa., November 25, 1899.

There were present,

Messrs. James Gayley, Vice President, in the chair,
D. M. Clemson,
C. D. Fraser, Secretary.

The Secretary reported that an option to purchase, at the price of $177,000.00, the lands of the Diamond Iron Mining Company, had been secured from Joseph Hyman.

On motion of Mr. Fraser, seconded by Mr. Clemson, it was unanimously

RESOLVED, that this Company elects to purchase from the Diamond Iron Mining Company under the contract of option hereinafter mentioned, the lands in Itasca County, Minnesota, and the other properties described in the option contract executed by that Company to Frederick E. Foster under date of March 28th, 1899, which option was afterwards as-

signed by the said Foster to Joseph Hyman of Chicago, and by said Hyman to this Company.

RESOLVED FURTHER that the President of the Company is authorized to execute and deliver on behalf of this Company to the Diamond Iron Mining Company, Frederick E. Foster and Joseph Hyman, notices in due form of this Company's election to purchase the said property, and to take any other steps necessary or convenient to carry said purchase into effect.

The Vice President stated that it was deemed advisable to take title to the Diamond property in the name of Chester A. Congdon, and the officers of the Company, by resolution duly moved and seconded, were instructed to execute an assignment of the option to Chester A. Congdon, he first making and delivering to this Company a declaration of trust showing the real ownership by this Company of the property of the Diamond Iron Mining Company.

* * * * *

(Directors' Meeting, November 28, 1899).

Board Meeting November 28, 1899.

Minutes of a meeting of the Board of Directors held at the Company's office, Carnegie Building, Pittsburgh, Pa., November 28, 1899.

There were present,

Messrs. Henry W. Oliver, President, in the chair,
James Gayley,
D. M. Clemson,
C. D. Fraser, Secretary.

* * * * *

The President submitted a form of letter to the fee owners of the Norrie group of mines, as follows:

"At the opening of the season, when the Bessemer Ore Association had fixed the prices for the year, we made contracts with the Oliver Iron Mining Company for the sale to

them of 800,000 tons of Norrie and 100,000 tons of Day ore. This was our estimate of what the mines would produce. Our shipments have varied from this, and to November 1st we have brought down 882,885 $\frac{1800}{}$ tons of Norrie grade and 80,132 $\frac{0820}{}$ tons of Day grade. Our statements to you this month therefore show that we have brought down 82,885 $\frac{1800}{}$ tons of Norrie ore in excess of the quantity reported to you as actually sold.

This quantity should really be included in our 1899 contracts, as the contracts were merely approximate, and were intended to cover all the ore the mines could produce. In the present condition of the market, however, we do not care to ask you to permit this. Within the last few days, the price for next year has practically been decided and fixed at an advance of $2.50 per ton. We therefore propose that when the last cargo has come down and the total weights for the season are ascertained, instead of waiting until next season, we at once make a sale of all the excess ore above 800,000 tons of Norrie grade and 100,000 tons of Day ore to the Oliver Iron Mining Company at the 1900 price (which will be about $5.50 per ton) and pay you royalty on your proportion of the excess on that basis.

Please advise us if the above will be satisfactory to you."

* * * * *

(Directors' Meeting, Dec. 9, 1899.)

Board Meeting, December 9, 1899.

A meeting of the Board of Directors was held at the Company's office, Carnegie Building, Pittsburg, Pa., December 9, 1899.

There were present,

Messrs. Henry W. Oliver, President, in the chair,
James Gayley,
D. M. Clemson,
C. D. Fraser, Secretary.

* * * * *

AGREEMENT, Made this day of December, A. D. 1899, by and between The Lake Superior Iron Company (herein-

after called the Lake Superior Company), a corporation of the State of Michigan, party of the first part, the Oliver Iron Mining Company (hereinafter called the Oliver Company), a corporation of the State of Minnesota, party of the second part, and The Cleveland-Cliffs Iron Company (hereinafter called the Cleveland-Cliffs Company), a corporation of the State of West Virginia, party of the third part;

WITNESSETH

The Oliver Company and the Cleveland-Cliffs Company are the owners of a large majority, but not all, of the Capital Stock of the Lake Superior Company. The Stock so held by the above mentioned two Companies is held in the proportions of three-fourths to the Oliver Company and one-fourth to the Cleveland-Cliffs Company.

It is to the interest of said Oliver Company and Cleveland-Cliffs Company to take or purchase from the Lake Superior Company all of the iron ore that may be produced by said Lake Superior Company rather than to sell the same in the open market, and it is to the interest of all the stockholders of the Lake Superior Company that said Company be assured of a steady and continuous market at fair prices for all the ore that may be produced by said Company from time to time.

NOW THEREFORE, In consideration of the above facts and of the sum of One Dollar to each of the above parties paid by each of the others, the receipt whereof is hereby mutually acknowledged, it is agreed between the parties hereto that all of the iron ore that may be mined and shipped by the said Lake Superior Company up to and including the first day of January, A. D. 1950, shall be divided between the Oliver Company and the Cleveland-Cliffs Company in the proportions of three-fourths of each kind, quality or brand of ore to the Oliver Company, and one-fourth of each kind, quality or brand of ore to the Cleveland-Cliffs Company.

The Oliver Company and the Cleveland-Cliffs Company each for itself, but not for the other, agrees to pay, and the Lake Superior Company agrees to accept in full pay-

ment for said ore each year, the current market price for such ore delivered in Cleveland, fixed and prevailing in said Cleveland, prior to May 1st of each such year, for the seasons' delivery of such ore for each such year. In case any dispute should arise as to the market price for such ores, the same shall be determined by the President of the Union Trust Company, of Pittsburgh, and the President of the American Trust Company, of Cleveland, whose joint decision on such subject shall be binding upon all the parties hereto. If they fail to agree as to such prices, they shall select a third disinterested person to act therein with them, and a decision of a majority of said three shall be final. In case the price to be paid for any one year's supply of ore is not fixed on or before the 1st day of May of such year, the said arbitrators shall be called in and requested to decide the matter in accordance with the terms of this agreement.

Said ore shall be delivered to the said respective purchasers at such lower Lake ports as may, from time to time, be designated by the party purchasing the same; but each of said purchasers, to wit: the Oliver Company and the Cleveland-Cliffs Company, shall have the routing of its own ore from the mines to the place of delivery, and each purchaser shall pay the cost of transporting its own ore, as aforesaid, and insurance thereon; and in settling for its ore with the Lake Superior Company each purchaser shall deduct from the Cleveland price thereof, fixed as aforesaid, the usual prevailing current rates of rail and vessel freight thereon from the mines to the place of delivery, unloading charges and said insurance, paid by such purchaser, always provided that the amount per ton so deducted for freight, unloading charges and insurance, upon every settlement with the Lake Superior Company for ore delivered in any month hereunder shall be the same in the case of both of said purchasers, regardless of the point to which said ore may be carried and delivered.

On the first day of January, April, July and October of each year, the net profits of said Lake Superior Company shall be divided among the stockholders by way of dividends, unless some other disposition is made of such profits, or any

part thereof, by consent of both the Oliver Company and the Cleveland-Cliffs Company.

It is hereby mutually covenanted and agreed that neither the Oliver Company nor the Cleveland-Cliffs Company will at any time sell or dispose of any part or all of their respective holdings of stock in the Lake Superior Company, without giving to the other party thirty days notice in writing of its intention so to do; in which event the other party shall have the option of purchasing said stock at the same price and on the same terms at which it can be sold to any other responsible party; provided, however, that, for the purpose of maintaining the legal existence of said Lake Superior Iron Company, the stock of either party may be held in the name of such persons, Companies or associations as either party hereto may deem advisable; but the ownership and control of such stock shall not pass from the parties hereto or their respective successors in business.

Any and all matters of dispute arising out of this agreement shall be referred to the above named arbitrators, the President of the Union Trust Company, of Pittsburgh, and the President of the American Trust Company of Cleveland, whose decision on all such subjects shall be final and conclusive. If they fail to agree upon any matter, they shall select a third disinterested person to act therein with them, and the decision of a majority of the three so selected shall be final and conclusive.

IN WITNESS WHEREOF, And in pursuance of resolutions of the respective Boards of Directors of the said Companies, the Presidents of the said corporations, parties of the first part, second and third parts, have hereunto signed their respective names, and each one affixed the corporate seal of his Company, attested by the respective Secretaries thereof, the day and year above written.

The President submitted a letter from Chester A. Congdon, Esq., as follows:

Marquette, Mich., Dec. 7, 1899.

MR. HENRY W. OLIVER,
Prest. Oliver Iron Mining Co.,
Carnegie Bldg., Pittsburg, Pa.

DEAR SIR:

The Oliver Company has recently obtained from Messrs. Swallow & Hopkins an option for a mining lease on about 300 acres of land about a mile west of the Stevens Mine. The St. Paul & Duluth R. R. Co. owns 600 acres of land immediately north of the Swallow & Hopkins land. Dr. Hulst requested me to ascertain from the Railroad Company whether we could secure an option for a lease on this land. I visited the Land Commissioner of the Railroad Company yesterday at St. Paul, and he offers to give a contract to run one year for the privilege of exploring any 160 acres of land which they may own. The cost of this contract is twenty-five dollars. Any time during this period, the party holding the contract can take a lease of the land described therein, of which the essential provisions are: (1) Term, 25 years; (2) Royalty, 25 cents per ton; (3) Minimum annual output, 2500 tons the first year, 5000 tons the second year, thereafter 10,000; (4) an obligation to mine as much more as the lessee can profitably mine.

I found, in addition to the above land, the Railroad Company owns 440 acres of land in the same township, to-wit: Town 59, Range 15. They also own 1280 acres in Town 59, Range 14, also 160 acres in Town 59, Range 13. Inasmuch as they require a lease to be limited to 160 acres, this would require 15½ leases—or rather 16 leases—which would require an aggregate minimum from all the land of 160,000 tons.

I convinced the Land Commissioner that 15 cents a ton royalty was sufficient royalty on this ore. He also concurred with me that the provision requiring ore to be mined in excess of a minimum, so long as it could be done profitably, should be eliminated or materially modified. I proposed that

he give us a contract for a lease covering all these lands, containing the following provisions: (1) Term, 50 years; (2) Royalty, 15 cents; (3) minimum, 1st year 38750 tons, 2d year 77,500 tons, 3d year 155,000 tons, with the provision that any time we should notify them that we elected to eliminate any forty-acre tract from the lease the minimum should be reduced as follows: if it was done the first year of the lease, by 625 tons; if the second year of the lease, by 1250 tons; if thereafter, by 2500 tons. In this way we could tie up all the land, and as fast as we showed that it had no value for ore, we could drop it and reduce our minimum, so that when we reached the highest minimum it would not average over 10,000 tons for each 160 acres. The Land Commissioner agreed with me on this, but stated that he could not make these modifications without the consent of the Board of Directors, and advised me to see Mr. Hayes, the President of the Railroad at New York, and gave me a letter of introduction to him. I do not wish to take this matter up with Mr. Hayes unless you approve it. I can only say that Dr. Hulst is very anxious to secure some of these lands, and I think Mr. Gayley is, and by tying them all up in this way it would cost us little, if any, more than it would to take those we know we wish.

I am going from here to Boston, and from there to New York. I wish on receipt of this you would kindly advise me at the Hotel Touraine, Boston, what I shall do in regard to this matter. It seems to me that if this can be put through it would be a wise thing to do. I know I can get these lands on the 25 cent royalty any time—the Land Commissioner has agreed to hold them for me,—but I think that the result which I am trying to reach is well worth an effort.

I have agreed to-day with Mr. Ball about the final form of the Norrie, North Norrie and Daughn leases, and go from here to Boston to finish them up. From there I go to New York, and expect to be in New York the latter part of next week.

Yours truly,
Chester A. Congdon.

On motion, duly seconded, the President was authorized to advise Mr. Congdon to take up with the President of the St. Paul & Duluth R. R. Co. the matter of securing the options on the basis indicated in Mr. Congdon's letter.

* * * * *

(Directors' Meeting, Dec. 26, 1899.)

Board Meeting, Dec. 26, 1899.

A meeting of the Board of Directors was held at the office of the Company, Carnegie Building, Pittsburgh, Pa., December 26, 1899.

There were present, Messrs.

Henry W. Oliver, President, in the chair,
James Gayley,
D. M. Clemson,
A. M. Moreland,
C. D. Fraser, Secretary.

The minutes of the meetings of the Board held November 28th and December 9th were read and approved.

* * * * *

THIS INDENTURE, Made this twenty-sixth day of September, in the year of our Lord one thousand eight hundred and ninety-nine, by and between JOHN M. LONGYEAR and MARY H. LONGYEAR, his wife, of Marquette, Michigan, and FREDERICK AYER and ELLEN B. AYER, his wife, of the city of Lowell, county of Middlesex and commonwealth of Massachusetts, as parties of the first part, and OLIVER IRON MINING COMPANY, a corporation organized and existing under the laws of the state of Minnesota, as party of the second part, WITNESSETH:

The said parties of the first part, in consideration of the covenants and agreements of the party of the second part, hereinafter made, do hereby lease and demise unto said party of the second part all that certain parcel or tract of land sit-

uated in the county of Gogebic and state of Michigan, described as follows, to-wit: The south half of the southeast quarter of section twenty-two (22), in township forty-seven (47) north, of range forty-seven (47) west, known as the NORRIE MINE and containing eighty (80) acres, according to the United States Government survey thereof, for the uses and purposes of exploring for, mining, taking out and removing therefrom the merchantable iron ores which are or may be found therein, with the right and privilege of erecting, making and maintaining thereon all such buildings, excavations, openings, ditches, drains, railroads, tramways, wagon roads and other improvements as shall be necessary or convenient for the purposes and uses aforesaid, for which said lands are leased and demised:

* * * * *

But the foregoing lease and demise is made upon the express condition that said party of the second part shall pay unto said parties of the first part, or their assigns, as rent or royalty, at the times hereinafter stated, the amounts, sums and percentages hereinafter set forth or specified, for each and every ton of iron ore removed from said premises during the term of said lease and demise, to-wit:

For each and every ton so removed the royalties or percentages hereinafter stated or set forth, of the market value which said ores would have at the city of Cleveland in the State of Ohio, if the same were delivered and sold at that place, whether such ores shall in fact be delivered and sold at that place or not, to-wit: For all such ores such value whereof would not, either between the first and fifteenth days of May in the year in which the same shall be shipped or removed from said premises, or at the time of actual shipment or sale thereof, exceed four dollars ($4.00) per ton, twenty-five (25) cents for each ton; for all such ores such value whereof would, either between the first and fifteenth days of May in the year when the same shall be shipped, or at the time of shipment or actual sale thereof, exceed four dollars ($4.00) per ton, but would not at either of said times exceed four dollars and twenty-five cents ($4.25) per ton, six and one-fourth per cen-

tum of the value thereof at said Cleveland at the time of the actual shipment or sale thereof, if such value at that time shall equal or exceed such market value between said first and fifteenth days of May, otherwise six and one-fourth per centum of such value between the first and fifteenth days of May in the year in which the same shall be shipped or removed from said premises. And for all such ores such market value whereof would, either at the time of shipment or sale thereof or between the first and fifteenth days of May in the year in which the same is shipped or removed from said premises, exceed four dollars and twenty-five cents ($4.25) per ton, the rate of the percentages of such values thereof to be paid as aforesaid shall be increased above six and one-fourth per centum at the rate of one per centum for each dollar, (or one one-hundredth of one per centum for each cent,) of the excess of such value above four dollars and twenty-five cents ($4.25) per ton, (such royalty or percentage to be computed and paid on such value at the time of actual shipment or sale of said ores, if such value at that time equals or exceeds such market value between the first and fifteenth days of May in the year in which such ore shall be shipped or removed from said premises, otherwise on such market value between the first and fifteenth days of May,) and that the said party of the second part shall make and render the statements hereinafter specified to be by it made and rendered, at the times hereinafter stated therefor, and keep, observe and perform each and every of its covenants, promises and agreements hereinafter made, on its part to be kept and performed.

* * * * *

Said party of the second part doth hereby further covenant, promise and agree unto and with said parties of the first part, that said party of the second part will pay unto said parties of the first part, or those having their estate in the premises, as rent for said premises hereby leased and demised, or as royalty on ores to be removed therefrom, at least the sum of forty three thousand, seven hundred and fifty (43,750.00) dollars in each and every year during said term, or until the termination of this lease and demise as

hereinafter provided, it being understood and agreed, however, between said parties that if the royalty hereinabove specified to be paid on account of ores removed from the premises hereby demised, in any year during the continuance of this lease, shall not amount to the sum of forty three thousand seven hundred and fifty (43,750.00) dollars, the excess so paid shall be applied to the payment of any excess over forty three thousand seven hundred and fifty (43,750.00) dollars that may be payable on account of royalties on ore removed from said premises in any subsequent year.

* * * * *

THIS INDENTURE,

Made this twenty-sixth day of September, in the year of our Lord one thousand, eight hundred and ninety-nine, by and between JOHN M. LONGYEAR and MARY H. LONGYEAR his wife, of Marquette, Michigan, and FREDERICK AYER and ELLEN B. AYER, his wife, of the City of Lowell, county of Middlesex and commonwealth of Massachusetts, as parties of the first part, and OLIVER IRON MINING COMPANY, a corporation organized and existing under the laws of the state of Minnesota, as party of the second part, WITNESSETH:

The said parties of the first part, in consideration of the covenants and agreements of the party of the second part, hereinafter made, do hereby lease and demise unto said party of the second part, all that certain parcel or tract of land situated in the county of Gogebic and state of Michigan described as follows, to-wit: The north half of the southeast quarter of section twenty-two (22), in township forty-seven (47) north, of range forty-seven (47) west, known as the NORTH NORRIE MINE, and containing eighty (80) acres, according to the United States Government survey thereof, for the uses and purposes of exploring for, mining, taking out and removing therefrom the merchantable iron ores which are or may be found therein, with the right and privilege of erecting, making and maintaining thereon all such buildings, excavations, openings, ditches, drains, railroads, tramways, wagon roads and other improvements as shall be

necessary or convenient for the purposes and uses aforesaid, for which said lands are leased and demised:

* * * * *

But the foregoing lease and demise is made upon the express condition that said party of the second part shall pay unto the said parties of the first part or their assigns, as rent or royalty, at the times hereinafter stated, the amounts, sums and percentages hereinafter set forth or specified, for each and every ton of iron ore removed from said premises during the term of said lease and demise, to-wit:

For each and every ton so removed the royalties or percentages hereinafter stated or set forth, of the market value which said ores would have at the city of Cleveland, in the state of Ohio, if the same were delivered and sold at that place, whether such ores shall in fact be delivered and sold at that place or not, to-wit: For all such ores such value whereof would not, either between the first and fifteenth days of May, in the year in which the same shall be shipped or removed from said premises or at the time of actual shipment or sale thereof, exceed four dollars ($4.00) per ton, twenty-five (25) cents for each ton; for all such ores such value whereof would, either between the first and fifteenth days of May in the year when the same shall be shipped, or at the time of shipment or actual sale thereof, exceed four dollars ($4.00) per ton, but would not at either of said times exceed four dollars and twenty-five cents ($4.25) per ton, six and one-fourth per centum of the value whereof at said Cleveland at the time of the actual shipment or sale thereof, if such value at that time shall equal or exceed such market value between said first and fifteenth days of May, otherwise six and one-fourth per centum of such value between the first and fifteenth days of May in the year in which the same shall be shipped or removed from said premises. And for all such ores such market value whereof would, either at the time of shipment or sale thereof, or between the first and fifteenth days of May in the year in which the same is shipped or removed from said premises, exceed four dollars and twenty-five cents ($4.25) per ton, the rate of the percentages of such values thereof to be paid

as aforesaid shall be increased above six and one-fourth per centum at the rate of one per centum for each dollar (or one one-hundredth of one per centum for each cent), of the excess of such value above four dollars and twenty-five cents ($4.25) per ton, (such royalty or percentage to be computed and paid on such value at the time of actual shipment or sale of said ores, if such value at that time equals or exceeds such market value between the first and fifteenth days of May in the year in which such ore shall be shipped or removed from said premises, otherwise on such market value between the first and fifteenth days of May), and that the said party of the second part shall make and render the statements hereinafter specified to be by it made and rendered, at the times hereinafter stated therefor, and keep, observe and perform each and every of its covenants, promises and agreements hereinafter made, on its part to be kept and performed.

* * * * *

Said party of the second part doth hereby further covenant, promise and agree unto and with said parties of the first part, that said party of the second part will pay unto the said parties of the first part, or those having their estate in the premises, as rent for said premises hereby leased and demised, or as royalty on ores to be removed therefrom, at least the sum of forty-three thousand, seven hundred fifty dollars ($43,750.00), in each and every year during said term, or until the termination of this lease and demise as hereinafter provided, it being understood and agreed, however, between said parties, that if the royalty hereinabove specified to be paid on account of ores removed from the premises hereby demised, in any year during the continuance of this lease, shall not amount to the sum of forty-three thousand, seven hundred fifty dollars ($43,750.00) the excess so paid shall be applied to the payment of any excess over forty-three thousand, seven hundred fifty dollars ($43,750.00) that may be payable on account of royalties on ore removed from said premises in any subsequent year.

* * * * *

(Stockholders' Meeting, June 25, 1900.)

A meeting of the Stockholders of Oliver Iron Mining Company was held at the Company's office, Carnegie Building, Pittsburg, Pa., June 25, 1900.

All the stock of the Company was represented by the holders thereof or their properly appointed proxies.

* * * * *

On motion, duly seconded, the following resolution was unanimously adopted:

RESOLVED: That the proper officers of this Company be and they hereby are authorized to lease the Stephens Mine, situate in Sections 25 and 26, in Township 59 North, Range 15 West, in St. Louis County, Minnesota, to the Lake Superior Consolidated Iron Mines, for 49 years from the first day of May, A. D. 1900; such lease to require a minimum annual output of 100,000 tons and to provide for a royalty of 15c per ton, and in other respects to be in such form and contain such conditions as the said officers may deem best.

The Stephens Mine by this resolution authorized to be leased is described as follows: The Northwest Quarter of the Northeast Quarter (N. W. ¼ of N. E. ¼), the Southwest Quarter of the Northeast Quarter (S. W. ¼ of N. E. ¼), the Southeast Quarter of the Northeast Quarter (S. E. ¼ of N. E. ¼), the Southeast Quarter of the Northwest Quarter (S. E. ¼ of N. W. ¼) and the Northeast Quarter of the Southeast Quarter (N. E. ¼ of S. E. ¼) of Section Twenty-Six (26); the Southwest Quarter of the Northwest Quarter (S. W. ¼ of N. W. ¼) and the Northwest Quarter of the Southwest Quarter (N. W. ¼ of S. W. ¼) of Section Twenty-Five (25), all in Township Fifty-Nine (59) North of Range Fifteen (15) West, in said County of St. Louis and State of Minnesota.

* * * * *

(Directors' Meeting, October 17, 1900.)

A meeting of the Directors of Oliver Iron Mining Company was held at the office of the Company, Carnegie Building, Pittsburgh, Pa., October 17, 1900, at 3 o'clock P. M.

There were present,

Mr. Henry W. Oliver, President, in the chair,
" James Gayley,
" D. M. Clemson,
" C. D. Fraser, Secretary.

* * * * *

The Secretary reported that he had been negotiating with Mrs. Alice McKinley for an exploring option on lands in 59-14, and that the best terms so far secured were 25c royalty, 50,000 tons minimum, $50,000. advance royalty. The Secretary was instructed to take an option on these terms, if no better could be secured, but to use his utmost endeavors towards a modification of Mrs. McKinley's proposition.

The Secretary reported that lands in 59-14 had been offered for exploration at 25c per ton royalty by Mr. O. D. Kinney and Mr. E. J. Longyear. Mr. Congdon was directed to endeavor to secure more favorable terms from these gentlemen.

Mr. Congdon reported that he was advised that this Company had taken an exploring option on lands in 59-14 from L. Silverman. The option covered only 80 acres, while Mr. Silverman owned much more land in the vicinity. Mr. Gayley was requested to write General Manager Hulst, with a view to having Mr. Silverman increase the area covered by the option given by him.

* * * * *

(Directors' Meeting, November 20, 1900.)

A meeting of the Directors of Oliver Iron Mining Company was held at the Company's office, Carnegie Building, Pittsburgh, Pa., November 20, 1900, at 3 o'clock P. M.

There were present,

Mr. Henry W. Oliver, President, in the chair,
" James Gayley,
" D. M. Clemson.

* * * * *

The Secretary reported that an option had been secured from Mrs. Alice McKinley on lands in 59-14, on the basis of a royalty of 20c per ton and 50,000 tons minimum.

Mr. Gayley reported that he had purchased from Mr. O. D. Kinney a lease on 160 acres in 21-59-14 for $20,000.00, on the basis of 25c per ton royalty and 50,000 tons minimum. Mr. Gayley stated that there were several pits in ore on the property, and the purchase was approved.

The Secretary reported that the Silverman option, on lands in 59-14, covered a large acreage and not merely 80 acres as thought by Mr. Congdon.

* * * * *

Mr. Gayley submitted a statement as follows:

Three years ago Messrs. Corrigan, McKinney & Co. of Cleveland borrowed $250,000. from the Cleveland-Cliffs Iron Co., giving their notes therefor and put as collateral the leases and the stock of the Companies owning the leases of the Queen group of mines at Negaunee, Michigan. Two years ago we purchased through James Corrigan of Corrigan, McKinney & Co. their interest in these mines for $100,000. and assuming his indebtedness to the Cleveland-Cliffs Iron Co. At that time we said to Mr. Corrigan that he should have come to us for such a loan, as he could have avoided a traffic contract on a million tons of ore, which was exacted by the Cleveland-Cliffs Co. for their railroad.

A few weeks ago, Mr. Corrigan called on me and stated that he wanted to obtain a loan of $200,000. in order to improve certain ore properties controlled by him and clear up some small indebtedness. As security for this loan, he will give to the Oliver Iron Mining Company the lease and equipment of the Hope Mine, making complete assignment to them, and will put up as collateral the leases and stock of companies owning the leases of the following mines:

Crystal Falls,	Lamont,
Great Western,	Paint River,
Lincoln,	Armenia,

These mines are all located in the Crystal Falls district of the Menominee Range. They are non-bessemer mines producing ore running from 58. to 60. per cent. iron and from .20 to .70 phosphorus. The cost of mining would be as cheap as at any of our best mines for while the deposits are not large, yet there is very little water to pump and little timbering required. While some of the ore is too high in phosphorus for use in making Basic Iron, it commands a premium in the market, by reason of its phosphorus, for foundry irons. The Hope mine is now being opened, and likewise the Armenia. The former gives promise of a fair ore body and carries about .25% phosphorus. The Armenia is showing well and produces an ore slightly over the Bessemer limit. All of these ores partake of the nature of the Menominee hematites, being coarse grained, and work excellently in the furnace.

Mr. Corrigan proposes to repay this loan as follows:

$100,000 in one year, and $100,000 at end of second year.

Outside of the Cleveland-Cliffs group of mines at Ishpeming, there is no other large group not owned by us, excepting these at Crystal Falls. This amount of money can be easily borrowed on the security offered, and it is advisable that we should loan it, as we may later on secure the property at a reasonable figure and avoid paying an extra premium; and, further, it puts us in position to work in harmony with Corrigan, McKinney & Co., who have good properties on other ranges and who can be very useful to us in many ways. Our

mining officers have just finished a careful examination of the mines, and report them in good condition; they will produce 400,000 tons this year, and the royalty is less than 15 cents per ton on the group. On our trip to the Northwest last week, Mr. Clemson and I looked carefully into the matter, and we desire to recommend it.

On motion of Mr. Gayley, seconded by Mr. Clemson, it was

RESOLVED: That this Company lend to Messrs. Corrigan, McKinney & Co. $200,000.00, at 5% interest; repayable $100,000.00 in one year and $100,000.00 in two years; on the security of their Crystal Falls lease, as set forth in Mr. Gayley's statement.

* * * * *

(Directors' Meeting, January 17, 1901.)

A meeting of the Directors of Oliver Iron Mining Company was held at the office of the Company, Carnegie Building, Pittsburgh, Pa., January 17th, 1901, at 2:30 o'clock P. M.

There were present,

Mr. Henry W. Oliver, President, in the chair,
" D. M. Clemson,
" W. W. Blackburn,
" George T. Oliver.

* * * * *

The President submitted a report as follows: I have to report that I visited Chicago on New Year's day, and concluded the purchase of the Mansfield mine. The price paid was $425,000.00.

* * * * *

I secured an option for 90 days on the Columbia mine; in the meantime, we have full access for exploration; the price to be $375,000.00.

In addition, I secured a reduction from the fee owners of the Mansfield mine of the rate of royalty to be paid, making

a fixed rate of 30 cents per ton instead of the present sliding scale, which makes the rate on last year's ore about 38 cents per ton. I also secured from the fee-owners, an additional two forties adjoining the ore body, one on the right and the other on the left, at the same rate of royalty, and a minimum of 10,000 tons annually on each forty, with the right to surrender, etc. Our mining people are of the opinion that there is a great probability of the ore body extending under these two forties.

* * * * *

(Directors' Meeting, March 12, 1901.)

A meeting of the Directors of Oliver Iron Mining Company was held at the office of the Company, Carnegie Building, Pittsburgh, Pa., March 12, 1901, at 3 o'clock P. M.

There were present,

Mr. James Gayley, Vice President, in the chair,
" D. M. Clemson,
" W. W. Blackburn.

* * * * *

The Vice President reported that he had bought from the Huron Iron Company the lease of the Columbia Mine for $200,000.00. This lease covers the Northwest Quarter (N. W. ¼) of Section Thirty-One (31), Township Forty-Three (43), Range Thirty-Two (32), Iron County, Michigan. An extension of the lease on a one-half interest in the property, for fifteen years from December 1, 1905, had been secured.

On motion of Mr. Clemson, seconded by Mr. Blackburn, the purchase of the lease of the Columbia Mine as reported by the Vice President was approved and confirmed.

The Vice President reported that he had purchased for $15,000.00, from Wm. D. Rees, by Quit-Claim Deed dated February 19, 1901, an interest in the mineral lands mentioned by him at the last meeting of the Board. These lands comprise 5,935.06 acres located in Marquette, Dickinson, Iron and Gogebic Counties, Michigan and Florence County, Wisconsin. The purchase covers an interest in the minerals only of a part

of the lands, an interest in the fee of the others; and the interest secured varying from one-eighth in some of the lands to the entire fee in others.

On motion of Mr. Clemson, seconded by Mr. Blackburn, the purchase of the interest of Wm. D. Rees in the mineral lands, reported by the Vice President, was approved and confirmed.

The Vice President reported that he had purchased from Samuel Mitchell, et al, for $100,000 a one-half interest in 71/72 of the fee to the minerals in what is known as the Race Course property at Negaunee, Michigan, comprising about sixteen acres, with the right to a lease of the remaining one-half of said 71/72 on the following basis:

All Bessemer ore above 58% iron, 15c per gross ton,
All Non-Bessemer ore above 58% iron, 7c per gross ton,
All ore below 58%, 7c per gross ton,
Bessemer ore to be graded on one thousandth of phosphorus for one unit of metallic iron.
Minimum royalty after first two years, $3,500.00 per annum.
If no ore is shipped during first two years, no minimum royalty shall be paid.

On motion of Mr. Clemson, seconded by Mr. Blackburn, the purchase of the Race Course property on the basis stated by the Vice President was approved and confirmed.

* * * * *

(Directors' Meeting, June 20, 1902.)

Pursuant to due notice, a meeting of the Board of Directors of the Oliver Iron Mining Company was duly held at its office in the Exchange Building, Duluth, Minnesota, on Friday, June 20th, 1902, at 11:30 o'clock A. M.

* * * * *

On motion, duly made and seconded, the following resolution was offered:

WHEREAS, the President of this corporation did heretofore, in the name of this corporation and on its behalf, by an

agreement bearing date the fourth day of February, A. D. 1902, enter into a contract with the Cundy Iron Company, for the operation of the Cundy Mine situate in Section Three (3) Township thirty-nine (39) Range thirty (30) Dickinson County, Michigan, which contract is as follows:

THIS AGREEMENT, Made and entered into this fourth day of February, A. D. Nineteen Hundred and Two, by and between the Cundy Iron Company, a corporation duly existing under the laws of the State of West Virginia (hereinafter called the Proprietor), party of the first part, and the OLIVER IRON MINING COMPANY, a corporation duly existing under the laws of the State of Minnesota (hereinafter called the Oliver Company) party of the second part:

WITNESSETH: The Proprietor is the owner of a mining lease upon the following described property situate in the County of Dickinson and State of Michigan, and commonly known as the Cundy Mine, to-wit: Northwest quarter of the Northeast quarter (NW ¼ of NE ¼) and Northeast quarter of the Northwest quarter (NE ¼ of NW ¼) of Section Three (3) in Township thirty-nine (39) North of Range Thirty (30) West, Meridian of Michigan.

The said lease bears date the first day of January, in the year 1897, and is for the period of twenty years from the said first day of January, A. D. 1897, and is executed by The Keweenaw Association, Limited, as Lessor, to the said Cundy Iron Company, as Lessee, and is recorded in the office of the Register of Deeds in and for said County and State, in Book ..... of ..... on pages ..... et seq.

The Proprietor is also the owner of a certain other mining lease, upon the following described property, situate in the said County of Dickinson and State of Michigan, and also commonly known as the Cundy Mine, to-wit: The Northeast quarter of the Northeast quarter, of Section Three (3) in Township thirty-nine (39) North of Range thirty (30) West, Meridian of Michigan, which said lease bears date the first day of October in the year eighteen hundred and ninety-six (1896) and is for the period of thirty (30) years from the first day of October, A. D. 1896, and is executed by Ruth B. Buell and John L. Buell, of the Township of Breitung, County of Dick-

inson and State of Michigan, as Lessors, to the said Cundy Iron Company as Lessee, and is recorded in the office of the Register of Deeds for said County of Dickinson, in Liber One of Miscellaneous Records, on page 507, etc.

Said last mentioned lease also transfers the surface rights to other premises therein described, which surface rights the Oliver Company may use and enjoy in operating said mine, the same as the Proprietor might use and enjoy the same under said lease.

The Oliver Company is largely engaged in the mining of iron ore in the States of Minnesota, Michigan and Wisconsin, and it is believed that the ore from the mine of the Proprietor can be more economically mined and can be disposed of more readily and to a larger extent by the Oliver Company, in connection with the operation of its own mines, than through the independent operation of said mine by the Proprietor.

IT IS THEREFORE AGREED AS FOLLOWS:

FIRST: The Oliver Company will annually during the term of this operating agreement mine from the said property of the Proprietor, and ship, market and sell such an amount of ore as can be reasonably and profitably produced and marketed from said mine, the amount thereof to be determined by the Oliver Company. The ore so mined shall remain the property of the Proprietor until sold, but sales of the ore shall be made by the Oliver Company, either in its own name or in the name of the Proprietor.

* * * * *

FIFTH: By the Proprietor it is agreed that out of the proceeds of the said ore, the Oliver Company shall fully reimburse itself for all the costs, charges and expenses of mining, shipping and disposing of said ore, including rents and royalties, the cost of mining, the taxes and assessments upon said property, all transportation charges, all commissions, insurance, if any, loss and damage to persons and property necessarily paid or incurred by the Oliver Company, all interest, not exceeding five per centum per annum, on moneys

(other than the moneys of the Proprietor remaining in the hands of the Oliver Company) necessarily borrowed or used by the Oliver Company for the purpose of mining, shipping and disposing of said ores, and all other expenses and charges of every kind necessarily or properly paid or incurred by the Oliver Company in carrying out this Contract, including such proportionate share of the general office expenses and salaries of the general officers and agents paid by the Oliver Company, as the yearly output from said mine shall bear to the aggregate yearly output of all the mines which the Oliver Company may at the time be operating.

SIXTH: The Oliver Company shall also be entitled to expend such sums as in its judgment shall be reasonably necessary or expedient in the maintenance, repair, renewal, improvement, enlargement or extension of the works, plant, equipment, machinery, tools, implements and other appliances incident to or reasonably required for the proper operation of said mine, and to charge the same up against the Proprietor as a part of the expense of said mining operation, reimbursing itself therefor out of the proceeds of said ore, as in the case of the other expenses of operation.

SEVENTH: As its compensation for mining and marketing said ore, and for all other services to be performed hereunder, the Oliver Company shall be entitled to charge and receive from the Proprietor, one half of one per centum of the gross proceeds of all ore disposed of under the terms of this agreement, to be deducted from such proceeds.

* * * * *

TWELFTH: This agreement shall continue in force until terminated as hereinafter provided. Either party hereto may terminate this agreement on the first day of December of any year by giving at least three months prior notice in writing to the other party of its desire to terminate the same. Such notice may be given by the Oliver Company by personally serving the same upon the President or Vice President of the Proprietor, or by registered letter addressed to the Proprietor at The Rookery, Chicago, in the State of Illinois, and mailed in the United States Post Office at New York,

in the State of New York, or at Duluth, in the State of Minnesota, with postage prepaid. And such notice may be given by the Proprietor by personally serving the same upon the President or Vice-President of the Oliver Company, or by registered letter addressed to the Oliver Company, at Duluth in the State of Minnesota, and mailed in the United States Post Office at Chicago, in the State of Illinois, with postage prepaid.

* * * * *

(Stockholders' Meeting, January 21, 1909.)

Pursuant to the notice therefor and the By-Laws of the Company, the annual meeting of the stockholders of the Oliver Iron Mining Company was duly held at the office of the Company in the Wolvin Building, Duluth, Minnesota, on Thursday, January 21st, 1909, at 2:00 o'clock in the afternoon.

* * * * *

Upon roll call of the stockholders duly had, the following were found to be present either in person or by proxy authorized in writing, to-wit:

NAME	NO. OF SHARES
United States Trust Company of New York, Trustee in Trust for The Carnegie Company, by T. F. Cole, proxy	10,000
E. H. Gary and A. C. Dinkey as joint Tenants and not as Tenants in common, With right of survivorship by T. F. Cole, proxy	1,995
Thomas F. Cole	1
William J. Olcott	1
Joseph B. Cotton	1
John H. McLean	1
George D. Swift	1
Total	12,000

* * * * *

The following resolution, offered by Mr. Olcott and seconded by Mr. McLean, was then unanimously adopted, it being put to a stock vote and 12,000 shares of stock being voted in favor thereof, to-wit:

WHEREAS, the Oliver Iron Mining Company is the owner of the shares of stock, as stated below, in the following companies, to-wit:

NAME	No. OF SHARES
Agawam Iron Mining Company	169
Ambridge Iron Mining Company	495
Monessen Iron Mining Company	495
Morewood Iron Mining Company	495
Munhall Iron Mining Company	495
Pencoyd Iron Mining Company	478
The Regent Iron Company	3,372
Somerset Iron Mining Company	495

AND WHEREAS, Thomas F. Cole, the President of this Company, has attended the annual Stockholders' meeting of each of the aforesaid Companies and has voted thereat this Company's stock in each said Company;

AND WHEREAS, the Oliver Iron Mining Company is also the owner of the shares of stock, as stated below, in the following companies, to-wit:

NAME	No. OF SHARES
Allegheny Iron Mining Company	224
Braddock Iron Mining Company	302
Duquesne Iron Mining Company	216
Great Western Mining Company	59,995
Homestead Iron Mining Company	295
Hope Iron Mining Company	357
The Lake Superior Iron Company	62,965
Lorain Iron Mining Company	495
Monongahela Iron Mining Company	52
Neville Iron Mining Company	495

and the annual Stockholders' meeting of each of said Companies will be held or convened at an early date.

THEREFORE, RESOLVED, That the acts of Thomas F. Cole, the President, or, in his absence, William J. Olcott the Vice President, of this Company, in attending the annual meetings of all or any of the aforesaid Companies, or any adjournment or adjournments thereof, and in voting the shares of this Company thereat, and all the acts of either of them in that behalf be and the same hereby are in all respects fully authorized, approved and confirmed.

Which resolution being put to vote, all the Directors voted thereon affirmatively; whereupon the same was declared unanimously adopted.

* * * * *

(Stockholders' Meeting, January 20, 1910.)

Pursuant to the notice therefor and the By-laws of the Company, the annual meeting of the stockholders of the Oliver Iron Mining Company was duly held at the office of the Company in the Wolvin Building, Duluth, Minnesota, on Thursday, January 20th, 1910, at 2:00 o'clock in the afternoon.

* * * * *

Upon roll call of the stockholders duly had, the following were found to be present either in person or by proxy authorized in writing, to-wit:

NAME	No. OF SHARES
United States Trust Company of New York, Trustee In Trust for The Carnegie Company, by W. J. Olcott, proxy	10,000
E. H. Gary and A. C. Dinkey as joint tenants and not as tenants in common, with right of survivorship, by William J. Olcott, proxy	1,993
William J. Olcott	1
Pentecost Mitchell	1
David G. Kerr by William J. Olcott, proxy	1
Charles D. Fraser	1

Name	No. of Shares
by William J. Olcott, proxy	
John H. McLean	1
William A. McGonagle	1
George D. Swift	1
Total	12,000

• • • • •

The following resolution, offered by Mr. Swift and seconded by Mr. McGonagle, was then unanimously adopted, it being put to a stock vote and 12,000 shares of stock being voted in favor thereof, to-wit:

Whereas, The Oliver Iron Mining Company is the owner of the shares of stock, as stated below, in the following companies, to-wit:

Name	No. of Shares
Agawam Iron Mining Company	169
Allegheny Iron Mining Company	224
Ambridge Iron Mining Company	495
Braddock Iron Mining Company	302
Duquesne Iron Mining Company	216
Great Western Mining Company	59,995
Homestead Iron Mining Company	295
Hope Iron Mining Company	357
The Lake Superior Iron Company	62,970
Lorain Iron Mining Company	495
Monessen Iron Mining Company	495
Monongahela Iron Mining Company	52
Morewood Iron Mining Company	495
Munhall Iron Mining Company	495
Neville Iron Mining Company	495
Pencoyd Iron Mining Company	478
The Regent Iron Company	3,372
Somerset Iron Mining Company	495

Therefore, Resolved, That William J. Olcott, the President, and Pentecost Mitchell, the Vice President of this Company, or either of them, be, and hereby are, authorized and

directed to attend the next annual meeting of each the aforesaid Companies, or any adjournment or adjournments thereof, and vote the shares of this Company thereat, and that all their acts or the acts of either of them in that behalf be, and they hereby are, in all respects authorized, approved and confirmed.

* * * * *

(Stockholders' Meeting, January 19, 1911.)

Pursuant to the notice therefor and the By Laws of the Company, the annual meeting of the stockholders of the Oliver Iron Mining Company was duly held at the office of the Company in the Wolvin Building, Duluth, Minnesota, on Thursday, January 19th, 1911, at 2:00 o'clock in the afternoon.

* * * * *

Upon roll call of the stockholders duly had, the following were found to be present either in person or by proxy authorized in writing, to-wit:

NAME	NO. OF SHARES
United States Trust Company of New York, Trustee In Trust for The Carnegie Company	10,000
by W. J. Olcott, proxy	
E. H. Gary and A. C. Dinkey as joint tenants and not as tenants in common, with right of survivorship	1,993
by William J. Olcott, proxy	
William J. Olcott	1
Pentecost Mitchell	1
David G. Kerr	1
by William J. Olcott, proxy	
Charles D. Fraser	1
by William J. Olcott, proxy	
John H. McLean	1
William A. McGonagle	1
George D. Swift	1
Total	12,000

* * * * *

The following resolution, offered by Mr. McGonagle and seconded by Mr. McLean, was then unanimously adopted, it being put to a stock vote and 12,000 shares of stock being voted in favor thereof, to-wit:

WHEREAS, The Oliver Iron Mining Company is the owner of the shares of stock, as stated below, in the following companies, to-wit:

NAME	NO. OF SHARES
Agawam Iron Mining Company	169
Allegheny Iron Mining Company	224
Ambridge Iron Mining Company	495
Braddock Iron Mining Company	302
Duquesne Iron Mining Company	216
Great Western Mining Company	59,993
Homestead Iron Mining Company	295
Hope Iron Mining Company	357
The Lake Superior Iron Company	62,970
Lorain Iron Mining Company	495
Monessen Iron Mining Company	495
Monongahela Iron Mining Company	52
Morewood Iron Mining Company	495
Munhall Iron Mining Company	495
Neville Iron Mining Company	495
Pencoyd Iron Mining Company	478
The Regent Iron Company	3,372
Somerset Iron Mining Company	495

THEREFORE, RESOLVED, That William J. Olcott, the President and Pentecost Mitchell, the Vice President of this Company, or either of them, be, and hereby are, authorized and directed to attend the next annual meeting of each the aforesaid Companies, or any adjournment or adjournments thereof, and vote the shares of this Company thereat, and that all their acts or the acts of either of them in that behalf be, and they hereby are, in all respects authorized, approved and confirmed.

* * * * *

(Directors' Meeting, October 26, 1911.)

A special meeting of the Board of Directors of the Oliver Iron Mining Company was duly held at the office of the Company in the Wolvin Building, Duluth, Minnesota, on Thursday, October 26th, 1911, at 3 o'clock in the afternoon.

Directors William J. Olcott, Pentecost Mitchell, John H. McLean, William A. McGonagle and George D. Swift, constituting a quorum of the Board, and Frank D. Adams, the General Solicitor of the Company, were present.

The President presided at the meeting and the Assistant Secretary kept the minutes.

On motion regularly made and seconded, it was duly and unanimously

RESOLVED, That the President and Assistant Secretary of the Company be and hereby they are authorized and directed to execute in the name and on behalf of the Company, and under its corporate seal, a proxy in the form submitted to this meeting and annexed to the minutes hereof authorizing, empowering and directing W. J. Olcott, Pentecost Mitchell and John H. McLean as proxies for this Company to vote the stock in Great Western Mining Company held by the Oliver Iron Mining Company at a special meeting of the stockholders of said Great Western Mining Company to be held on October 26, 1911, in favor of the approval, ratification and adoption of a resolution of the Board of Directors of the Great Western Mining Company with respect to the surrender on January 1, 1915, of the mining lease dated January 2, 1907, between the Great Western Mining Company, West Missabe Land Company, Limited, and others, and in favor of the exercise of such right to surrender the said lease on January 1, 1915, and the giving of any and all notice of such intended surrender as may be required under the terms of the said lease and the taking of any and all other action to effectuate such surrender, which may be advised by counsel.

No further business being presented, the meeting, on motion duly made and carried, was adjourned without date.

The form of proxy submitted to the meeting and referred to in the foregoing resolution is in words and figures following, to-wit:

"GREAT WESTERN MINING COMPANY
PROXY FOR SPECIAL MEETING OF STOCKHOLDERS

OCTOBER 26, 1911.

KNOW ALL MEN BY THESE PRESENTS: That the undersigned, Oliver Iron Mining Company, stockholder in Great Western Mining Company, does hereby constitute and appoint W. J. Olcott, Pentecost Mitchell and John H. McLean and each of them, true and lawful attorneys, agents and proxies of the undersigned, with power of substitution for and in the name, place and stead of the undersigned to vote upon all stock of the Great Western Mining Company held or owned by the undersigned, at the special meeting of the stockholders of the Great Western Mining Company to be held at the office of said Company at Duluth, Minnesota, on Thursday, October 26, 1911, and at any and all adjournments thereof, for the approval and ratification of the resolution adopted by the Board of Directors of the Company at its meeting on October 19, 1911, with respect to the surrender on January 1, 1915, of the mining lease dated January 2, 1907, between the Company, West Missabe Land Company, Limited, and others; and the said proxies, and each of them, hereby are authorized, empowered and directed to vote in favor of the exercise of the right to surrender on January 1, 1915, the said mining lease, and in favor of authorizing the President and Secretary of the Company to give any and all notice of such intended surrender required under the terms of the said lease, and to take any and all other action to effectuate such intended surrender, which may be advised by counsel.

And the said attorneys, agents and proxies are empowered to vote upon these and any and all other matters that may come before the said meeting according to the number of votes the undersigned would be entitled to vote if then personally present; hereby revoking any proxy or proxies heretofore given to vote upon such stock, and ratifying and con-

firming all that said attorneys, agents and proxies may do by virtue hereof. A majority of all or of any of said attorneys, agents and proxies who shall be present and shall act at the meeting (or if one only shall be present to act, then that one) shall have and may exercise all of the powers of all the said attorneys, agents and proxies hereunder.

WITNESS the execution hereof this 26th day of October, 1911.

OLIVER IRON MINING COMPANY,
By.....
President.

Attest:.....
Assistant Secretary.

WITNESSES:
.....
.....

The consent of all the Directors to the holding of the above recorded meeting is in the words and figures following to-wit:

"OLIVER IRON MINING COMPANY
CONSENT FOR SPECIAL MEETING OF BOARD OF DIRECTORS

The undersigned, Directors in the Oliver Iron Mining Company, hereby consent that a special meeting of the Board of Directors of the Company may be held at the principal office of the Company in the Wolvin Building, Duluth, Minnesota, on Thursday, October 26, 1911, at 3:00 o'clock in the afternoon, to authorize the execution by the President and Assistant Secretary, in the name and on behalf of the Company, of a proxy to vote the stock of the Great Western Mining Company held by the Oliver Iron Mining Company at a special meeting of the stockholders of said Great Western Mining Company to be held on October 26, 1911, in favor of the approval, ratification and adoption of a resolution of the Board of Directors of the Great Western Mining Company with respect to the surrender on January 1, 1915, of the mining lease dated January 2, 1907, between the Great

Western Mining Company, the West Missabe Land Company, and others.

New York, October 25, 1911.

W. A. McGONAGLE
GEORGE D. SWIFT

D. G. KERR
C. D. FRASER
W. J. OLCOTT
PENTECOST MITCHELL
JOHN H. McLEAN"

Attest: GEORGE D. SWIFT,
Assistant Secretary.

(Stockholders' Meeting, January 19, 1912.)

Pursuant to adjournment on January 18th, 1912, the annual meeting of the stockholders of the Oliver Iron Mining Company was duly reconvened at the office of the Company in the Wolvin Building, Duluth, Minnesota, on Friday, January 19th, 1912, at 5:45 o'clock in the afternoon.

* * * * *

Upon roll call of the stockholders duly had, the following were found to be present either in person or by proxy authorized in writing, to-wit:

Name	*No. of Shares*
United States Trust Company of New York, Trustee. In Trust for The Carnegie Company, by W. J. Olcott, proxy	10,000
E. H. Gary and A. C. Dinkey as joint tenants and not as tenants in common, with right of survivorship, by William J. Olcott, proxy	1,993
William J. Olcott	1
Pentecost Mitchell	1
David G. Kerr, by W. J. Olcott, proxy	1
Charles D. Fraser, by W. J. Olcott, proxy	1
John H. McLean	1
William A. McGonagle	1
George D. Swift	1
Total	12,000

* * * * *

The following resolution, offered by Mr. Swift and seconded by Mr. Mitchell was then unanimously adopted, it being put to a stock vote and 12,000 shares of stock being voted in favor thereof, to-wit: WHEREAS, the Oliver Iron Mining Company is the owner of the shares of stock, as stated below, in the following companies, to wit:

Name	*No. of Shares*
Agawam Iron Mining Company	169
Allegheny Iron Mining Company	224
Ambridge Iron Mining Company	495
Braddock Iron Mining Company	302
Duquesne Iron Mining Company	216
Homestead Iron Mining Company	295
Hope Iron Mining Company	357
Lebanon Iron Mining Company	495
Lorain Iron Mining Company	495
Monessen Iron Mining Company	495
Monongahela Iron Mining Company	52
Morewood Iron Mining Company	495
Munhall Iron Mining Company	495
Neville Iron Mining Company	495
Pencoyd Iron Mining Company	478
The Regent Iron Company	3,372
Somerset Iron Mining Company	495

AND WHEREAS, William J. Olcott, the President of this Company, has attended the annual stockholders' meeting of each of the aforesaid Companies held this day and has voted thereat this Company's stock in each said Company;

THEREFORE, RESOLVED, That the acts of William J. Olcott, the President of this Company, in attending the annual meetings of the aforesaid Companies and in voting the shares of this Company thereat, and all his acts in that behalf be, and the same hereby are, in all respects fully ratified, approved and confirmed.

The following resolution, offered by Mr. Swift and seconded by Mr. McLean was then unanimously adopted, it being put to a stock vote and 12,000 shares of stock being voted in favor thereof, to-wit:

WHEREAS, The Oliver Iron Mining Company is the owner of the shares of stock as stated below, in the following companies, to-wit:

Great Western Mining Company	59,995
The Lake Superior Iron Company	62,970

THEREFORE, RESOLVED, That William J. Olcott, the President, and Pentecost Mitchell, the Vice President of this Company, or either of them, be, and hereby are, authorized and directed to attend the next annual meeting of each of the aforesaid Companies, or any adjournment or adjournments thereof, and vote the shares of this Company thereat, and that all their acts or the acts of either of them in that behalf be, and they hereby are, in all respects authorized, approved and confirmed.

* * * * *

(Directors' Meeting, February 29, 1912.)

A meeting of the Board of Directors of the Oliver Iron Mining Company was duly held at the office of the Company in the Empire Building, New York, on Thursday, February 29th, 1912, at 11:30 o'clock in the forenoon.

Directors William J. Olcott, David G. Kerr, Charles D. Fraser, Pentecost Mitchell, John H. McLean and George D. Swift, constituting a quorum of the Board, and Frank D. Adams, the General Solicitor of the Company, were present.

* * * * *

Upon motion duly made and seconded, the following resolution was unanimously adopted:

RESOLVED, that William J. Olcott be, and he hereby is, authorized to attend a meeting of the stockholders of the Great Western Mining Company to be held at the office of that Company in the Empire Building, New York, on Thursday, February 29th, 1912, and as proxy for this Company to vote all its stock in said Great Western Mining Company in favor of confirming the action of said Great Western Company's Board of Directors in adopting a resolution in favor

of releasing certain lands from the mining lease known as the Hill lease, among other things, the said resolution of said Board having been adopted at a meeting thereof held at the office of said Great Western Company in the Empire Building, New York, on Thursday, February 29th, 1912, and being in the words and figures following, to-wit:

"RESOLVED, That the executive officers of this Company be, and they hereby are, authorized and empowered to enter into an agreement with the Lessors and Trustees mentioned in a certain lease dated January 2, 1907, known as the Hill lease, to the end that all of the lands covered by said lease may be relinquished and released from the operation thereof, with the exception of the following:

Lot One (1) of Section Six (6) in Township Fifty-eight (58) North of Range Seventeen (17) West in St. Louis County, Minnesota, known as the Fay Mine;

The West half of Southwest quarter (W½ of SW¼) of Section Twenty-eight (28) in Township Fifty-eight (58) North of Range Twenty (20) West in St. Louis County, Minnesota, known as the Leonard Mine;

The North half of Southwest quarter (N½ of SW¼) of Section Two (2) in Township Fifty-seven (57) North of Range Twenty-one (21) West in St. Louis County, Minnesota, known as the North Uno Mine;

The South half of Southwest quarter (S½ of SW¼) of Section Two (2) in Township Fifty-seven (57) North of Range Twenty-one (21) West in St. Louis County, Minnesota, known as the South Uno Mine;

The Southwest quarter of Southeast quarter (SW¼ of SE¼) of Section Three (3) in Township Fifty-seven (57) North of Range Twenty-one (21) West in St. Louis County, Minnesota, known as the Dale Mine;

The Southwest quarter (SW¼) of Section Seven (7) in Township Fifty-seven (57) North of Range Twenty-one (21) West in St. Louis County, Minnesota, known as the Mace Mine;

The Northwest quarter of Northwest quarter (NW¼ of NW¼) of Section Eleven (11) in Township Fifty-seven (57)

North of Range Twenty-one (21) West in St. Louis County, Minnesota, known as the Harold Mine;

The Southeast quarter of Southeast quarter (SE¼ of SE¼) of Section Fourteen (14) and the East half of Northeast quarter (E½ of NE¼) of Section Twenty-three (23) in Township Fifty-seven (57) North of Range Twenty-two (22) West in Itasca County, Minnesota, known as the Mississippi Mine;

An undivided one-half of the South half of Northeast quarter (S½ of NE¼) and Southeast quarter of Northwest quarter (SE¼ of NW¼) of Section Seventeen (17) in Township Fifty-six (56) North of Range Twenty-three (23) West in Itasca County, Minnesota, known as the Hill Mine;

An undivided one-half of the Southeast quarter of Northwest quarter (SE¼ of NW¼), Northeast quarter of Southwest quarter (NE¼ of SW¼), South half of Southwest quarter (S½ of SW¼) and Southwest quarter of Southeast quarter (SW¼ of SE¼) of Section Twenty (20) and the Northwest quarter of Northeast quarter (NW¼ of NE¼), North half of Northwest quarter (N½ of NW¼) and Southeast quarter of Northwest quarter (SE¼ of NW¼) of Section Twenty-nine (29) in Township Fifty-six (56) North of Range Twenty-three (23) West in Itasca County, Minnesota, known as the Hill Mine stripping lands;

The North half of Northeast quarter (N½ of NE¼) of Section Twenty-one (21) in Township Fifty-six (56) North of Range Twenty-four (24) West in Itasca County, Minnesota, known as the North Star Mine;

The Southeast quarter of Northeast quarter (SE¼ of NE¼) of Section Twenty-seven (27) in Township Fifty-six (56) North of Range Twenty-four (24) West in Itasca County, Minnesota, known as part of the Holman-North Star stripping lands; and

An undivided one-half of the South half of Northwest quarter (S½ of NW¼) and North half of Southwest quarter (N½ of SW¼) of Section Twenty-nine (29) in Township Fifty-six (56) North of Range Twenty-four (24) West in Itasca County, Minnesota, known as the Walker Mine;

and containing the terms, conditions and agreements under which said releases are to be made and also the rights and

privileges to be assured to this company; and said executive officers are further empowered to enter into certain other agreements between the said parties, or certain of said parties, in relation to the operation of the properties known as the Hill and Walker mines; all of which said agreements have been drawn and approved by counsel and are herewith submitted to the Board for approval."

* * * * *

The following Minutes of the Executive Committee of the National Steel Company (Record, page 802 to page 812), are offered in evidence by the Petitioner under the foregoing Stipulation, dated June 26, 1912 (page 359), for all purposes for which said Minutes are competent and relevant:

Each and all of said minutes are objected to by Counsel for said Defendants on the ground of incompetency, irrelevancy and immateriality.

Members.

Henry Wick, Chairman,
W. E. Reis,
R. M. Gilbert,
D. G. Reid,
W. B. Leeds,
W. H. Moore, Sec'y,
F. S. Wheeler, Ass't Sec'y.

• • • • •

March 1st, 1899.

• • • • •

It was moved and seconded that Messrs. Wick Reis & Gilbert be appointed a committee to confer with American Tin Plate Co. with full power to act in the matter of sale of Steel to the latter company.

Carried.

The committee from the American Tin Plate Co. being Messrs. Reid, Leeds & Graham.

It was moved and seconded that the questions raised by the Hoop manufacturers and also the Bar Iron makers in connection with the National Steel Co. be referred to Messrs. Moore & Wick.

Carried.

• • • • •

March 11th, 1899.

* * * * *

It was moved and seconded that F. S. Wheeler be made Assistant Secretary of the Executive Committee.

Carried.

It was moved and seconded that the purchase of the personal property of the Buhl Steel Co., Sharon Iron Co. and F. H. Buhl Coke Works for the sum of $172,241.83 as per their inventories, by the President and treasurer, be approved and ratified.

Carried.

Buhl Steel Co.	$120175.51
" Coke Works	1852.83
Sharon Iron Co	50213.49
	172241.83

It was moved and seconded that this Company purchase the Margaret Thomas Blast Furnace at the price named in the option to D. Wiley McCaughey.

Carried.

* * * * *

March 15th, 1899. * * *

It was moved and seconded that the matter of building three open Hearth Furnaces at Sharon be referred to Mr. Gilbert with power to act.

Carried.

* * * * *

March 17th, 1899. * * *

It was moved and seconded that Messrs. Reis, Wick & Gilbert be empowered to act according to their judgement (sic) in the matter of enlarging the Furnace Capacity at the Shenango Valley plant.

Carried.

It was moved and seconded that the same Committee be empowered to build blast furnaces at Bellaire and Aetna Standard plants.

Carried.

* * * * *

March 22nd, 1899.

It was moved and seconded that the Company purchase the 700 acres of Coking Coal land covered by the option held by J. H. McCortney from W. H. Thompson @ $1100.00 per acre.

Carried.

* * * * *

April 6th, 1899.

Present—Messrs. Wick, Leeds, Reid, Moore, Reis & Wheeler.

Resolution—Whereas, the Continental Coke Co. is a Corporation of the State of Pennsylvania with a Capital stock of $50.000 formed by Henry Wick and others for the purpose of making Coke and Mining Coal and

Whereas, the coal territory now owned by the said Continental Coke Company is considered desirable for this Company to have,

Be it resolved that the Company purchase the entire Capital Stock of the Continental Coke Company upon the terms named in the option on the above property held by D. Wiley McCaughey dated Jany. 19th, 1899; and that the payment of $152.958.04 on account of such purchase is hereby ratified and approved.

Carried.

It was moved and seconded that the matter of the purchase of the additional 300 acres of Coke land mentioned by W. H. Thompson & J. H. McCortney be referred to a committee comprising Messrs. Wick, Reis & Gilbert with power to purchase same if desired.

Carried.

* * * * *

April 28th, 1899.

Present—Messrs. Wick, Reis, Gilbert, Moore, Reid & Wheeler.

* * * * *

It was moved and seconded that the company purchase the property at Mingo Junction under option, for a site for Blast furnaces.

Carried.

It was moved and seconded that the purchase of about 30 acres of additional Coke land from W. H. Thompson, Uniontown, Pa., be left to Messrs. Wick, Reis & Gilbert with power to make the purchase if deemed proper by them.

Carried.

It was moved and seconded that Mr. Gilbert be empowered to purchase the Zanesville Furnace and Rolling Mill.

Carried.

The following resolution was approved:—

"Resolved that this Company purchase from the Oliver and Snyder Steel Company of Pennsylvania, the tract of Coal land known as the Unity Coal property in Pennsylvania, also the real Estate and plant known as the Rosena Furnace located at New Castle, Penna., also the entire production of the Uniontown, Pa., Coke Works; also the Oliver and Snyder Steel Co.'s one-sixth interest in all the ore produced by the Oliver Mining Company. All of the above for the sum of one million ($1.000.000.00) Dollars of preferred stock of this Company at par, and that the Officers of this Company be and are hereby authorized and directed to issue Ten Thousand (10.000) Shares of Preferred stock of this Company in payment of (sic) for the said property, and to execute a proper Certificate authorizing the Merchants Loan and Trust Company, Registrar of Transfers to register the said stock; and to purchase Three Thousand (3000) Shares of Common Stock of this company on the market and deliver same to said Oliver and Snyder Steel Company in additional payment for the property purchased above."

Carried.

It was moved and seconded that the title to the Unity Coal land be taken in the name of the Continental Coke Company.

Carried.

* * * * *

June 20th, 1899—

Present—Messrs. Wick, Reis, Gilbert, Moore, Leeds, Reid and Wheeler—

It was moved by Mr. Reid and seconded by Mr. Moore:—

Whereas; a draft of an agreement dated June 17th, 1899, between the Oliver and Snyder Steel Co. and the National Steel Co., consisting of 23 pages not including exhibit "A" thereto attached, and providing for the purchase of the stock of the Rosena Furnace Co. and the Unity Coal tract and a supply of iron ore and coke, has been read by the Assistant Secretary;

It is therefore resolved, that the President of this Company be and he is hereby authorized to sign, execute, and deliver the said agreement, and to attach the common seal of this Company; and that the Secretary of this company be authorized to attest the same, and that the proper officers of the National Steel Company be, and they hereby are directed to carry out and perform all the provisions of said agreement."

Carried unanimously.

Upon motion of Mr. Reis seconded by Mr. Gilbert it was resolved that the written proposition dated June 17th, 1899, made by the National Steel Company to the Oliver Iron & Steel Company for the Sale to the latter of a certain quantity of Steel for a period of four years and three months after January first 1900, be and it is hereby approved and ratified.

It was moved by Mr. Reis seconded by Mr. Leeds that the purchase of the Stock of the Standard Coke Co. and the South West Connecting Rail Road Company be approved and ratified.

Carried.

* * * * *

July 14th, 1899—

Present—Messrs. Wick, Reis, Moore & Wheeler.

The following resolution was offered by Mr. Moore and seconded by Mr. Wheeler and on motion was unanimously carried,

Resolved:—"that the president and Secretary of this Company be, and they are hereby authorized to Sign, execute and deliver the agreement this day read between L. C. Hanna, the National Steel Co. and the Guardian Trust Co. for the purchase by the National Steel Company of the Capital Stock of the Chapin Mining Company; and that the officers of this company be and they are hereby authorized and directed to make the payments and carry out the conditions as provided in the aforementioned contract."

The following resolution was offered by Mr. Moore and seconded by Mr. Wheeler and on motion was unanimously carried—

Resolved: "that the President and Secretary of this Company be and they are hereby authorized to sign execute and deliver the Agreement this day read between L. C. Hanna, the National Steel Company and the Guardian Trust Company for the purchase by the National Steel Company of the Capital Stock of the Menominee Transit Company; and that the officers of this Company be and they are hereby authorized and directed to make the payments and carry out the conditions as provided in the aforementioned Contract."

The following resolution was offered by Mr. Moore and seconded by Mr. Wheeler and on motion was unanimously carried.

Resolved, "that the President and Secretary be and they are hereby authorized to sign, execute and deliver the agreement this day read between, L. C. Hanna the National Steel Company and the Guardian Trust Company for the purchase by the National Steel Company of the Capital Stock of the Winthrop Iron Company; and that the officers of this Company be and they are hereby authorized and directed to make the payments and carry out the conditions as provided in the aforementioned contract."

The following resolution was offered by Mr. Moore and seconded by Mr. Wheeler, and on motion was unanimously carried.

RESOLVED; "that the President and Secretary of this company be and they are hereby authorized to sign execute and deliver the agreement this day read between L. C. Hanna the National Steel Company and Guardian Trust Company for the purchase by the National Steel Company of the Capital Stock of the Mutual Transportation Company; and that the officers of this Company be and they are hereby authorized and directed to make the payments and carry out the conditions as provided in the aforementioned Contract."

• • • • •

Sept. 5th, 1899.

Present—Messrs. Wick, Reis, Gilbert, Reid & Wheeler.

It was moved by Mr. Reid seconded by Mr. Wheeler that Messrs. Wick, Reis & Gilbert be authorized to proceed with the construction of Two Open Hearth Furnaces at Sharon if deemed best in their judgment.

Carried.

• • • • •

Nov. 17th, '99.

Present, Messrs. Reis, Wick, Moore & Wheeler.

• • • • •

It was moved by Mr. Moore & seconded by Mr. Reis that the Treasurer be authorized to anticipate the next payment due August 1st, 1900, on the purchase money trust receipt for the Chapin Mining Co. to the extent of $250,000.00.

Carried unanimously—

• • • • •

Jan. 2/1900.

Present—Messrs. Wick, Gilbert, Reis, Reid, Moore & Wheeler.

* * * * *

It was moved by Mr. Reid seconded by Mr. Moore that the Rail mill at Youngstown be pushed to completion and that the company begin to sell and make rails as fast as possible.

Carried.

* * * * *

Jan. 6, 1900.

Present—Messrs. Wick, Reis, Gilbert, Reid, Moore & Wheeler.

* * * * *

The following resolution was offered by Mr. Reis seconded by Mr. Gilbert—

Whereas, a contract between the Lake Superior Consolidated Iron Mines, a corporation of New Jersey, and the Thomas Furnace Company, a corporation of Ohio, dated December 22nd, 1898, for the delivery of five hundred Thousand (500,000.) tons of Ore was on May 15th, 1899, assigned by said Thomas Furnace Company to the National Steel Company a corporation of New Jersey the assignment having been consented to by said Lake Superior Consolidated Iron Mines and accepted by the National Steel Company by its President on May 25th, 1899:

Be it Resolved: that said Assignment is hereby ratified by the Executive Commitee of said National Steel Company this 6th day of January, 1900.

Carried.

* * * * *

January 26th, 1900.

Present—Messrs. Wick, Gilbert, Reis, Moore, Reid & Wheeler.

Moved Mr. Moore seconded Mr. Reis that the Treasurer be authorized to anticipate the payments due August 1st, 1900, on the contracts for the purchase of the Chapin Mining Co.

The Winthrop Iron Co., The Mutual Transportation Co. and the Menominee Transit Co. to the extent of One Million dollars additional to amounts previously anticipated on the basis of 4% or as much better as can be arranged.

Carried.

* * * * *

MARCH 1, 1900.

PRESENT: REIS, REID, GILBERT, MOORE AND WHEELER.

The following resolution was offered by Mr. Reid, seconded by Mr. Reis.

WHEREAS, this company has by resolution of its Executive Committee on February 16th 1900 authorized the sale of the Bridgeport Works of the Aetna Standard Iron and Steel Company, for the sum of Nine Hundred Thousand ($900,000.00) Dollars cash it is hereby

RESOLVED: that the President and Treasurer of this Company be and they are hereby authorized to accept in payment for the above property, in lieu of cash Nine Thousand shares of the Preferred Stock and Nine Thousand shares of the Common Stock of the American Sheet Steel Company and they are hereby authorized to subscribe for such stock.

CARRIED.

ON MOTION meeting adjourned.

F. S. WHEELER,
Asst. Secy.

April 6th, 1900.

Present—Messrs. Wick, Reis, Gilbert, Moore, Reid & Wheeler.

The following resolution was offered by Mr. Reis seconded by Mr. Reid and unanimously carried—

Whereas, a contract between the Lake Superior Consolidated Iron Mines, a corporation of New Jersey and the Aetna Standard Iron and Steel Co. a corporation of West Virginia

dated Jany. 10th, 1899, for the delivery of Adams Ore covering a period of Ten (10) consecutive years commencing in 1899 and ending in 1908 was on Feby. 19th, 1900, assigned by said Aetna Standard Iron and Steel Co. to the National Steel Company a corporation of New Jersey, the assignment having been consented to by said Lake Superior Consolidated Iron Mines and accepted by the National Steel Company by its President on Feby. 13th, 1900, be it hereby

Resolved, that the said Assignment is hereby ratified by the Executive Committee of said National Steel Company this 6th day of April, 1900.

It was moved and seconded that subject of selling about 20000 tons of Rails for South America be referred to Mr. Wick with power to act.

* * * * *

FEBRUARY 14, 1901.

Mr. Leeds moved that Mr. Julian Kennedy as consulting engineer be instructed to start through our engineering corp the development of an open hearth plant at Youngstown capable of making 3,000 tons per day, so laid out that 1,000 tons capacity per day can be built at once and the remainder added. This was seconded by Mr. Reid and carried, all voting aye except Mr. Gilbert.

ON MOTION the meeting adjourned.

W. H. BALDWIN Secy. *pro tem.*
by F. S. WHEELER.

MAY 24, 1901.

PRESENT: MESSRS. WICK, MOORE, REID, LEEDS AND WHEELER (ALSO GRAHAM).

UPON MOTION of Mr. Reid seconded by Mr. Moore the following resolution was unanimously adopted:

RESOLVED that the sale to the Pittsburg Steamship Co. of the capital stock of the Mutual Transportation Company for the sum of $800,000 and of the capital stock of the Menominee Transit Company for the sum of $750,000 be and the same is hereby approved and the action of the President and

Directors of the two aforementioned companies in executing proxies to L. C. Hanna for the purpose of confirming the sale, be and the same is hereby approved.

On motion the meeting adjourned.

F. S. Wheeler,
Asst. Secy.

The following Minutes of the Directors of the National Steel Company (Record, page 812), are offered in evidence by the Petitioner under the foregoing Stipulation, dated June 26, 1912 (page 359), for all purposes for which said Minutes are competent and relevant:

Each and all of said minutes are objected to by Counsel for said Defendants on the ground of incompetency, irrelevancy and immateriality.

Meeting of directors, February 27, 1899 (Page 31).

Present: Messrs. W. E. Reis,
Henry Wick,
Wm. H. Moore,
Wm. B. Leeds,
Daniel G. Reid,
J. H. Moore,
R. M. Gilbert,
James McLean,
Warner Arms,
F. S. Wheeler,
J. R. McCortney,
Myron C. Wick,
W. T. Graham.

The following Minutes of the Directors of the American Steel Hoop Company (Record, page 813), are offered in evidence by the Petitioner under the foregoing Stipulation, dated June 26, 1912 (page 359), for all purposes for which said Minutes are competent and relevant:

Each and all of said minutes are objected to by Counsel for said Defendants on the ground of incompetency, irrelevancy and immateriality.

MEETING APRIL 18, 1899.

* * * * *

A ballot was taken and the following were elected, * * * Directors of Class A.:

Henry Wick,
J. H. Moore,
W. H. Moore,
W. B. Leeds.

The following Minutes of the Stockholders of the American Steel and Wire Company of Illinois (Record, page 814 to page 828), are offered in evidence by the Petitioner under the foregoing Stipulation, dated June 26, 1912 (page 359), for all purposes for which said Minutes are relevant and competent:

Each and all of said minutes are objected to by Counsel for said Defendants on the ground of incompetency, irrelevancy and immateriality.

Articles of Incorporation of American Steel & Wire Co.

State of Illinois, Department of State. James A. Rose, Secretary of State. To all to whom these presents shall come greeting:

Whereas, a statement, duly signed and acknowledged has been filed in the Office of the Secretary of State, on the 21" day of March, A. D. 1898, for the organization of the American Steel & Wire Company under and in accordance with the provisions of "An Act Concerning Corporations," Approved April 18, 1872, and in force July 1, 1872, and all acts amendatory thereof, a copy of which statement is hereto attached;

And Whereas, a license having been issued to John W. Gates, Isaac L. Elwood and Elbert H. Gary as commissioners to open books for subscription to the capital stock of the said company;

And Whereas, the said commissioners have on the 2nd day of April A. D. 1898 filed in the office of the Secretary of State a report of their proceeding under said License, a copy of which report is hereto attached.

Now, Therefore, I, Jas. A. Rose, Secretary of State of the State of Illinois, by virtue of the powers vested in me by law, do hereby certify the the (sic) said American Steel & Wire Company is a legally organized Corporation under the laws of this State.

In Testimony Whereof, I hereto set my hand and cause to be affixed the great Seal of State.

Done at the City of Springfield this 2nd day of April in the year of our Lord one thousand eight hundred and 98 and of the Independence of the United States the one hundred and 22nd.

Signed. JAMES A. ROSE,
Secretary of State.

(SEAL)

STATE OF ILLINOIS, } ss.:
County of Cook. }

To JAMES A. ROSE, Secretary of State:

We, the undersigned, John W. Gates, Isaac L. Ellwood and Elbert H. Gary, propose to form a corporation under an Act of the General Assembly of the State of Illinois, entitled, "An Act Concerning Corporations," approved April 18, A. D. 1872, and all acts amendatory thereof; and for the purpose of such organization we hereby state as follows, to-wit;

1. The name of such corporation is American Steel & Wire Company.

2. The object for which it is formed is manufacturing and mining and all business relating thereto.

3. The capital stock shall consist of Twenty Four Million Dollars ($24,000,000); of which Twelve Million Dollars ($12,000,000) shall be preferred stock, entitled in each and every year to receive, out of any and all surplus net profits, when and as declared by the Board of Directors, cumulative dividends equal to seven percent per annum; and the remaining Twelve Million Dollars ($12,000,000) shall be common stock, which in any and every year, after full dividends at the rate of seven percent per annum shall have been declared and paid upon the preferred stock for that and for all preceding years, shall be entitled to receive from the surplus net profits such dividends as from time to time the Board of Directors shall declare.

4. The amount of each share is One Hundred Dollars ($100.)

5. The number of shares is two hundred and forty thousand (240,000).

6. The location of the principal office is in Chicago, Cook County, Ill.

7. The duration of the corporation shall be ninety-nine (99) years.

JOHN W. GATES,
ISAAC L. ELLWOOD,
ELBERT H. GARY.

* * * * *

Meeting of the Subscribers to the Capital Stock of the American Steel & Wire Company.

The subscribers to the capital stock of American Steel & Wire Company met at Room 857 The Rookery, Chicago, Illinois, on Saturday, April 2d A. D. 1898, at ten o'clock A. M., pursuant to notices duly mailed and served by the Commissioners named in the license from the Secretary of State for the organization of said company.

There were present: O. Owen, B. B. Ayers, A. D. Waterman, E. B. Harkness, B. A. Powers, Wm. Thompson.

* * * * *

The said subscribers to stock thereupon proceeded to elect Directors of American Steel & Wire Company for the ensuing year, and all of the stock of said company was voted in favor of the following named gentlemen, who were declared duly elected such Directors:

J. W. Gates, I. L. Elwood, Wm. Edenborn,
John Lambert, Chas. Douglass, Alfred Clifford,
Elbert H. Gary, Frank Baackes, S. H. Chisholm,
E. J. Buffington, H. B. Schuler.

WILLIAM THOMPSON,
Secretary of the meeting.

* * * * *

Minutes of adjourned meeting of the Stockholders of the American Steel & Wire Company, held at the office of the Company in "The Rookery" Building, Chicago, Ill. at ten

o'clock, May 4th, 1899, pursuant to adjournment voted on May 2d, 1899.

In the absence of the President, Vice President Lott occupied the chair and called the meeting to order.

Thereupon, a call of the stockholders being had such showed the following stockholders present:

Frederick P. Voorhess	119208 shares	Preferred
	119922 shares	Common
E. C. Lott	1 share	Common
F L Watson	1 "	"
F.T.Bentley	1 "	"
J H Lacey	1 "	"
S. Grove Jr	21 shares	Preferred
	21 shares	Common
Max Pam	650 shares	Preferred

The presiding officer thereupon called for the business of the meeting, and Mr. Voorhees then offered the following resolution:

WHEREAS, at a meeting of the Board of Directors of this Company duly called and convened according to law, on the 27th day of February, A. D. 1899, there was submitted to said Board of Directors by one Frederick P. Voorhees a proposition on his part to purchase from said company all its corporate assets and an offer to pay therefor the sum of twenty-five million, four hundred and forty thousand dollars; and, in addition, to assume and agree to pay all the outstanding contracts, liabilities, and obligations of any and every kind, of this company; and,

Whereas, at the same time, the owners and holders of one hundred and nineteen thousand, two hundred and eight (119,208) shares of the preferred stock and one hundred, nineteen thousand nine hundred and thirty-three shares of the common stock of this company, by an instrument in writing requested and expressed the desire that the entire property and assets of this company be sold and disposed of, and that the stockholders abandon the corporate enterprise surrender their charter, franchises and corporate name and dissolve the corporation, wind up its affairs and distribute its

assets among its stockholders, and persons entitled thereto, and requested that all the property and assets of said company be disposed of, provided the stockholders of said company should thereby secure a net distributive share of $106. for each share of common and preferred stock, and in addition, the purchaser to assume and agree to pay the obligations of this company, the consideration of which said purchase was at said meeting by said Board of Directors deferred to an adjourned meeting of said Board of Directors to be held the following day; and,

Whereas, at the adjourned meeting of said board of directors, held on the 28th day of February, A. D. 1899, a resolution was passed by said Board of Directors at the request of the holders of said 119208 shares of the Preferred and 119933 shares of the common stock of this company, that the offer and proposition of the said Frederick P. Voorhees, to purchase and acquire from this company all its property and assets of any and every kind and character, be and was thereby accepted; and the President and Secretary of this company were authorized and directed to carry out and consummate the same, and make disposition and conveyance of all the property of this company to the said Frederick P. Voorhees, upon the terms expressed in the offer by said Voorhees to said Board of Directors; and

Whereas, a contract for the sale of the entire property and assets of this company was entered into and executed between this company and said Voorhees, and is in the words and figures as follows:

Agreement made and entered into at the City of Chicago this eleventh day of March, A. D., 1899, by and between American Steel and Wire Company, a corporation organized and existing under the laws of the State of Illinois, as party of the first part, and Frederick P. Voorhees, of the City of New York, as party of the second part,

Whereas, more than two-thirds of the stockholders of the party of the first part desire to abandon the corporate enterprise, surrender their charter, franchises and corporate name and dissolve the corporation party of the first part, and the

holders of over ninety-nine per cent of all the capital stock of the party of the first part have requested the execution of these presents; and

Whereas, the party of the second part has offered to pay for the corporate assets and property of said corporation the sum of $25,440,000 in manner hereinafter provided, and also to fully pay the corporate debts and completely discharge the corporate liabilities of the party of the first part and has further offered to assume, perform and liquidate all its outstanding contracts and obligations of whatsoever nature or kind; and

Whereas, in the best judgment of the Board of Directors and Managers of the party of the first part, the acceptance of such offer of said party of the second part will be advantageous to its stockholders and will realize for them much more than could be obtained if the sale of the corporate assets and property were delayed, and will result in a much larger distributive share to stockholders of the party of the first part than can otherwise be obtained;

Now, Therefore, this Agreement Witnesseth, that the parties hereto for and in consideration of the premises have covenanted and agreed and hereby do covenant and agree to and with each other as follows:

First: The party of the first part hereby agrees to grant, bargain, sell, assign, transfer, convey and set over and hereby does grant, bargain, sell, assign, transfer, convey and set over unto the party of the second part and his assigns all and singular the following corporate assets and property, viz:

(a) The following manufacturing plants of the party of the first part, and the lands upon which the same are situated, and the lands adjacent thereto or held or owned in connection therewith, and all the buildings, fixtures, machinery, tools, implements, utensils, supplies, etc., thereon and therein namely:

1. Plant and property thereon and therein, known as the American Plant, located at Cleveland, County of Cuyahoga, Ohio;

2. Plant and property thereon and therein, known as the Consolidated Plant, located at Cleveland, County of Cuyahoga, Ohio;

3. Plant and property thereon and therein, known as the Baackes Plant, located at Cleveland, County of Cuyahoga, Ohio;

4. Plant and property thereon and therein, known as the H. P. Nail Plant, located at Cleveland, County of Cuyahoga, Ohio;

5. Plant and property thereon and therein, known as the Findlay Plant, located at Findlay, County of Hancock, Ohio;

6. Plant and property thereon and therein, known as the Salem Plant, located at Salem, County of Columbiana, Ohio;

7. Plant and property thereon and therein, known as the St. Louis Plant, located at St. Louis, Missouri;

8. Plant and property thereon and therein, known as the Louisville Plant, located at Louisville, County of Jefferson, Kentucky;

9. Plant and property thereon and therein, known as the Allentown Plant, located at Allentown, County of Lehigh, Pennsylvania;

10. Plant and property thereon and therein, known as the Rankin Plant, located at Rankin, Pennsylvania;

11. Plant and property thereon and therein, known as the Beaver Falls Plant, located at Beaver Falls, Pennsylvania;

12. Plant and property thereon and therein, known as the American Wire Nail Plant, located at Anderson, County of Madison, Indiana;

14. Plant and property thereon and therein, known as the Rockdale Plant, located at Joliet, County of Will, Illinois;

15. Plant and property thereon and therein, known as the Scott Street Mill located at Joliet, County of Will, Illinois;

16. Plant and property thereon and therein, known as the Elwood Manufacturing Co. Plant, located at DeKalb County of DeKalb, Illinois;

17. Plant and property thereon and therein, known as the Elwood Wire & Nail Co. Plant, located at DeKalb, County of DeKalb, Illinois;

(b) All and singular any other property, real, personal or mixed, of the party of the first part, wheresoever situated, including machinery, goods, chattels, wares, merchandise, stock on hand, supplies, iron, steel, coal, lumber, fuel, material manufactured and unmanufactured or in process of manufacture.

(c) All and singular the choses in action of the party of the first part including shares of stock and evidences of indebtedness of any corporation, bills of exchange, drafts, notes, accounts receivable, moneys on hand, causes of action, judgments, debts, bonds, contracts, insurance policies of every kind, and obligations of every nature and description.

(d) All letters patent, licenses, patterns, labels, trademarks, trade-names, trade rights, trade secrets and good will, all patents and applications for patents and rights to or under or in connection with patents or applications therefor; books of record, books of account, deeds, plans, designs, letters, documents and other writings whatsoever, and all rights, privileges and licenses whatsoever of the party of the first part.

(e) All the leases and leasehold rights and interests of the party of the first part of any and all property including the warehouses, improvements, fixtures and properties situated as follows:

1. Portland, Oregon;
2. Seattle, Washington;
3. Kansas City, Missouri;
4. Lincoln, Nebraska;
5. Denver, Colorado;
6. St. Paul, Minnesota;
7. New Orleans, Louisiana;
8. San Francisco, California.

The party of the first part further agrees that for convenience of record or proof the several parcels of land embraced

in this article of this agreement shall be conveyed by separate deeds, and the several plants and all fixtures or other property personal or mixed thereon and therein shall be transferred by separate bills of sale to the party of the second part or his nominees or assigns as they may from time to time request.

Second: The party of the second part, in consideration of the foregoing sale, assignment and transfer, hereby covenants and agrees with the party of the first part to pay or cause to be paid to the directors of said party of the first part said sum of twenty-five million, four hundred and forty thousand ($25,440,000) for account of its stockholders, to be distributed among them at the rate one hundred and six dollars ($106.) per share, which shall be forthwith paid to and distributed among the holders and owners of said shares of the preferred and common stock according to their respective distributive proportions thereof at said rate.

Third. In consideration of the aforesaid assignment and conveyance, the party of the second part hereby further covenants and agrees to assume and fully pay the corporate debts and completely discharge the corporate liabilities of the party of the first part, and to assume, perform and liquidate all of its outstanding contracts and obligations of whatsoever nature and kind, and covenants and agrees to indemnify and hold it, the said party of the first part, its directors, officers and stockholders, harmless from and against all claims, demands, liabilities, costs and expenses now existing or arising or that may hereafter arise in connection with any such debts, liabilities, contracts and obligations whatsoever. And to more effectually secure the performance of this covenant and undertaking on the part of the party of the second part, it is covenanted and agreed that the party of the first part shall be deemed to retain and is hereby granted a vendor's lien upon all the property conveyed and transferred, and to be conveyed and transferred hereunder, until the party of the second part shall have fully paid, discharged and performed the debts, liabilities, contracts and obligations so assumed by him as aforesaid.

Fourth. The party of the first part covenants with the party of the second part and his assigns that it will at any time or times hereafter, upon the request of the party of the second part or his assigns or his or their counsel learned in the law, do, make, execute and deliver any and all such other or further acts and deed or deeds or instruments in the law for the more fully and effectually vesting and confirming unto the party of the second part or his assigns the title to and possession of all the real and personal property hereby agreed to be sold, assigned and transferred and every part and parcel thereof; and further, the party of the first part covenants with the party of the second part and his assigns to warrant and forever defend the above sale, assignment and transfer of real and personal property unto the said party of the second part, and his assigns forever, against the lawful claims and demands of all and every person and persons whomsoever.

In Witness Whereof the party of the first part has caused these presents to be duly executed in its corporate name by its President and its corporate seal to be hereunto duly affixed and attested by its Secretary, and the party of the second part has hereunto set his hand and seal the day and year first above written—in duplicate.

In presence of

AMERICAN STEEL AND WIRE COMPANY,
by A. M. CRANE, President.

(Seal.)

Attest:

J. H. LACEY, Secretary.

In presence of
PAUL E. DEFERE
as to F. P. VOORHEES.

FREDERICK P. VOORHEES (Seal.)

STATE OF ILLINOIS,
County of Cook, } ss.:
City of Chicago,

The undersigned, as owners and holders of 119,208 Shares of the preferred stock and 119,933 shares of the com-

mon stock, being more than ninety-nine per cent of the capital stock of the American Steel and Wire Company, a corporation organized under the laws of the State of Illinois, do hereby ratify, approve and confirm the foregoing agreement between said Company and Frederick P. Voorhees, dated March 11th, 1899, which was executed by said Company at the request of the undersigned, and hereby acknowledge full payment and satisfaction of the distributive share as stockholders in the corporate assets or property of said company and release and discharge said Voorhees and the directors, managers, officers and agents of said corporation of and from any and all further accountability or liability in respect thereof.

The undersigned further agree and consent that the corporate enterprise of said American Steel and Wire Company be abandoned, that the charter, franchise and corporate name be surrendered, and that the corporation be dissolved.

A. CLIFFORD
E. J. BUFFINGTON
E. H. GARY
CHAS. DOUGLASS
F. BAACKES
J. H. LACEY
FREDERICK P. VOORHEES
F. J. BENTLEY
E. C. LOTT
F. L. WATSON
WALLACE H. ROWE
A. M. CRANE

THE AMERICAN STEEL AND WIRE COMPANY OF NEW JERSEY.
by S. H. CHISHOLM, Third Vice President.

(Seal.)
Attest:
F. E. PATTERSON,
Assistant Secretary.

WHEREAS, under and pursuant to the authority so conferred by said Board of Directors, the President and Secretary

of this Company, on the 11th day of March, A. D., 1899, executed and delivered to the said Frederick P. Voorhees, deeds of conveyance for all the real property of this company, and, at the same time, executed the necessary bills of sale for all the personal property of this company and prepared instruments of conveyance, transfer and assignment, of all and each of the other property of this company of any and every kind, name or nature, and the said Frederick P. Voorhees on the same day, took physical possession of each and all the property of this company, and at the same time, entered into an agreement whereby he assumed and agreed to pay each and all the debts and obligations due and owing by this company of any and every kind, name or nature; and,

Whereas, the purchase price paid this company, viz.: $25,440,000. was sufficient to pay to each common and preferred stockholder of this company the sum of one hundred and six dollars per share; and the said Frederick P. Voorhees, as the owner and holder of 119,208 shares of the Preferred stock and 119,922 shares of the common stock of this company, at the same time, delivered to the treasurer of this company his receipt of the distributive share of $106. on each of said shares of preferred stock and common stock and at the same time, delivered to said Treasurer the sum of $92,220., being $106. per share for each remaining share of the common and preferred stock; and

Whereas, the purchase price paid by said Voorhees is a full, fair and adequate compensation for the entire property of this company, and is more than could be realized in any other sale, management or disposition thereof; and,

Whereas, by a resolution of the Board of Directors adopted and passed by them at a meeting duly and regularly convened according to law on the 21st day of March, A. D., 1899, each and all the acts of the President and Secretary of said company and the other officers thereof, in making the transfer of said property to said Frederick P. Voorhees, was ratified, approved and confirmed; and,

Whereas, since the acquirement of the property of this company by him, the said Frederick P. Voorhees has trans-

ferred and sold the same to the American Steel and Wire Company of New Jersey, which has agreed to pay all the debts and obligations of this company, and it is well known to the stockholders of this company that the said American Steel and Wire Company of New Jersey is amply able to carry out and fulfill said obligations; and,

Whereas, certain portions of the property and assets of this company, so purchased by the said Voorhees, were transferred by this company directly to said American Steel and Wire Company of New Jersey, at the request of the said Frederick P. Voorhees; and,

Whereas, pursuant to the request of the owners and holders of said 119,933 shares of the common stock and 119,208 shares of the preferred stock of this company, the Board of Directors of this company, by resolution duly passed on said 21st day of March, 1899, resolved that at this regular annual meeting of the stockholders there be submitted to the stockholders for their consideration and vote, the desire and proposition to abandon the corporate enterprise of this company, surrender its charter, franchises and corporate name, and dissolve the corporation; and,

Whereas, notice of this meeting has been duly given by depositing in the postoffice at least thirty days before the date hereof, a notice properly addressed to each stockholder, signed by a majority of the Directors and Managers, stating the time, place and object of said meeting, and a general notice of the time, place and object of said meeting was published for three successive weeks in the Chicago Law Journal, a newspaper published in the County of Cook, and State of Illinois, wherein the principal office of this corporation is located; and,

Whereas, there are now present at this meeting in person the owners of more than two-thirds of the entire capital stock of this company, to-wit; more than ninety-nine per cent.; and,

Whereas, there have been read and considered by the stockholders of this company, the minutes of each and all the proceedings of the Board of Directors hereinabove referred to, relating to the transfer and disposition of the property

and assets of this corporation, and, it is the desire of the stockholders of this company to fully and completely ratify and approve, and confirm each and all the said acts of said Board of Directors in making the transfer and disposition of the property and assets of this corporation as hereinabove set forth; and,

Whereas, it is the desire of more than two-thirds of the stockholders of this corporation to abandon the corporate enterprise, surrender the charter, franchises and corporate name, and dissolve the corporation, and distribute the proceeds of such sale to said Frederick P. Voorhees as hereinabove set forth, which now constitutes the entire assets of this corporation, among the stockholders thereof.

Now, Therefore, Be it Resolved, That the action of the Board of Directors and the officers of this company in selling the entire property and assets of this corporation of every kind, name and nature, to the said Frederick P. Voorhees for the sum of $25,440,000., and the assumption by him of the indebtedness of this company, be and the same is hereby in all respects ratified, approved and confirmed.

Be it Further Resolved, That the contract made and entered into and executed by this company with said Voorhees under date of March 11th, 1899, as above recited, be and the same is hereby fully and in all respects adopted, ratified, approved and confirmed.

Be it Further Resolved, That the action of the officers and Directors of this Company, in executing the conveyances, transfers and assignments, by which said property was transferred to the said Frederick P. Voorhees, and in delivering up possession of said property to him, be and the same are hereby in each, every and all respects ratified, approved and confirmed.

Be it Further Resolved, That the action of the Officers and Directors of this company in receiving from the said Frederick P. Voorhees, the purchase price of said property in manner and form as hereinabove set forth, be and the same is hereby in all respects ratified, approved and confirmed.

Be it Further Resolved, that the Officers and Directors of this company do forthwith pay to each and all the stockhold-

ers thereof, who have not heretofore received the same, the sum of $106. for each share of preferred or common stock owned by such stockholders, as the full, complete and entire distributive share of such shareholder in the property and assets of this corporation."

Be it Further Resolved, That this corporation and its stockholders shall and do hereby abandon the corporate enterprise, surrender their charter, franchises and corporate name, and agree to and do dissolve the corporation.

And on motion duly made and seconded, said resolution was adopted and ordered spread upon the records, the vote thereon being as follows:

Yeas: F. P. Voorhees, 119,208 shares of Preferred, 119,922 shares Common
E. C. Lott, one share Common
F. L. Watson, one share Common
J. H. Lacey, one share Common
F. T. Bentley, one share Common
Max Pam, 650 shares Preferred
Nays: S. Grove, Jr., 21 shares Preferred.

Thereupon the chair announced that the resolution was adopted and directed the Secretary to spread the same upon the record.

* * * * *

The following Minutes of the Directors of the American Steel & Wire Company of Illinois (Record, page 829 to page 831), are offered in evidence by the Petitioner under the foregoing Stipulation, dated June 26, 1912 (page 359), for all purposes for which said Minutes are competent and relevant:

Each and all of said minutes are objected to by Counsel for said Defendants on the ground of incompetency, irrelevancy and immateriality.

(Meeting, April 4, 1898.)

Chicago, Ill., April 4, 1898.

The Board of Directors of American Steel & Wire Co. met pursuant to notice at the office of the company in the Rookery, Chicago Ill., April 4th, 1898, at 10 o'clock A. M.

The following members were present:

John W. Gates, Isaac L. Elwood,
William Edenborn, John Lambert,
Elbert H. Gary, Eugene J. Buffington,
H. B. Schuler, Frank Baackes,
Stewart H. Chisholm.

* * * * *

The Board then proceeded to the election of officers for the ensuing year and the following were, by ballot, duly elected:

J. W. Gates Chairman,
John Lambert President,
William Edenborn 1st. Vice President,
Isaac L. Ellwood 2nd Vice President,
Stewart H. Chisholm 3rd Vice President,
Elbert H. Gary General Counsel,
E. T. Schuler Treasurer,

Eugene J. Buffington Secretary,
Clayton H. Garvey Auditor,
Frank Baackes General Manager,

Isaac L. Elwood Chairman,
John W. Gates,
William Edenborn,
Eugene J. Buffington,
Stewart H. Chisholm.
} Executive Committee

* * * * *

The following resolution was unanimously adopted:—

Whereas, it is necessary for the purposes and business of this Company, Therefore, Resolved that there be purchased and obtained for this Company for the considerations respectively hereinafter stated, the plants and property of the following named companies:—

Consolidated Steel & Wire Co.	13 587 669 56
Elwood Wire & Nail Co.	1 350 000
I. L. Elwood Mfg Co.	1 000 000
The American Wire Nail Co.	1 200 000
American Wire Co.	1 970 000
H. P. Nail Co.	1 450 000
Salem Wire Nail Co.	842 000
	21 399 669 56

* * * * *

The Board of Directors met at the office of the Company in the Rookery, Chicago, Ills., at 12 o'clock A. M. this 9th day of April 1898, pursuant to adjournment.

Present.

John W. Gates,	A. Clifford,
I. L. Ellwood,	S. H. Chisholm,
Wm. Edenborn,	John Lambert,
H. B. Schuler,	Frank Baackes,
E. H. Gary,	E. J. Buffington,

Chairman John W. Gates presided.

The minutes of the last meeting were read and approved.

The following resolution was unanimously adopted:

Resolved, that in consideration of the transfer to this Company, of all the property, real, personal and mixed of every character of the Salem Wire Nail Co., this company shall issue to the stockholders of the said The Salem Wire Nail Co. Six Hundred Thousand Dollars ($600,000.00) of the Preferred and a like amount of the Common Stock of this Company, and assume all obligations of the said The Salem Wire Nail Co.

* * * * *

(Meeting, Dec. 31, 1898.)

CHICAGO, DEC. 31, 1898.

Pursuant to call, the Board of Directors of the American Steel and Wire Company met at the company's offices, "The Rookery" at eleven o'clock A. M., December 31st, 1898.

There were present:

J. W. Gates	S. H. Chisholm
John Lambert	W. H. Rowe
Alfred Clifford	Frank Baackes
E. H. Gary	E. J. Buffington

* * * * *

A full report was submited by the committee appointed to purchase the plant of the McMullen Fence Company, disclosing the amount of the purchase and the terms whereupon, on motion, the purchase of the plant of the McMullen Fence Company, located at Evanston was unanimously approved.

Thereupon a claim was presented of Messrs. Ten Broeck, Ladd *et al.*, for disbursements made in securing reports on various wire plants which this company received, used and had benefit of, whereupon

On motion it was voted to allow and pay the amount of the claim of Messrs Ten Broeck, Ladd, *et al* for monies expended by them aggregating about sixteen thousand dollars ($16,000.00) and that the money be sent to Judge Gary for distribution among the proper parties as their interests may appear and to take proper vouchers and receipts therefor.

* * * * *

The following Minutes of the Executive Committee of the American Steel & Wire Company of New Jersey (Record, page 832 to page 848), are offered in evidence by the Petitioner under the foregoing Stipulation, dated June 26, 1912 (page 359), for all purposes for which said Minutes are competent and relevant:

Each and all of said minutes are objected to by Counsel for said Defendants on the ground of incompetency, irrelevancy and immateriality.

THE AMERICAN STEEL & WIRE COMPANY OF NEW JERSEY.
EXECUTIVE COMMITTEE MEETING 3/13/99.

A special meeting of The American Steel and Wire Company of New Jersey was duly held at the office of the Company, No. 44-46 Wall Street, New York, on March 13th, 1899, at 4:00 o'clock in the afternoon, pursuant to due notice.

The following members of the Committee were present:

Messrs. Isaac L. Ellwood,
John W. Gates,
William Edenborn.

* * * * *

The Chairman thereupon called to the attention of the Committee the Resolution passed at the meeting of the Board of Directors of the Company this day, concerning the acquisition of the stock or property of the Schoenberger Steel Company for $3,600,000, and referring the consummation of the said purchase to this Committee.

On motion regularly made and seconded, it was duly

Purchase of Schoenberger Steel Company.

RESOLVED that William Edenborn be authorized on behalf of this Company to negotiate the terms of and to execute the contract for the purchase of the stock or property of the Schoenberger Steel Company, for the consideration of not exceeding $3,600,000, payable not more than one-half thereof

in cash, upon the execution of contract, and the balance at any time within six months.

* * * * *

THE AMERICAN STEEL & WIRE COMPANY OF NEW JERSEY EXECUTIVE COMMITTEE MEETING 3/20/99.

Minutes of a Special meeting of the Executive Committee of the American Steel and Wire Company of New Jersey, held at the office of the Company in the "Rookery", Chicago, Illinois, at 11 o'clock a. m., Monday, March 20th, 1899..

Present: I. L. Ellwood, Chairman,
William Edenborn, and
John Lambert,

Mr. Lambert being called in to fill the vacancy caused by the absence of Mr. Gates.

* * * * *

Upon motion made by Mr. Lambert, seconded by Mr. Ellwood, it was

Schoenberger Purchase Approved

RESOLVED that the action of Mr. Edenborn in closing the deal with the Schoenberger Steel Company and agreeing to pay within thirty days $300,000.00 in addition to the amount already paid, be and the same is hereby approved.

Upon motion made by Mr. Lambert and seconded by Mr. Edenborn, it was

Discontin Erecting Schoenbe Rod Mill

RESOLVED that it is the wish and desire of the Executive Committee that nothing further be done in the way of erecting the Rod Mill now in course of construction on the property of the Shoenberger Steel Company, and all orders for material which may be should be (sic) cancelled; and that this resolution be communicated to the directors of the Schoenberger Steel Company.

* * * * *

THE AMERICAN STEEL & WIRE COMPANY OF NEW JERSEY EXECUTIVE COMMITTEE MEETING 3/22/99.

Minutes of meeting of the Executive Committee held at the offices of the Company in Chicago, Wednesday, March 22, 1899.

Present: I. L. Ellwood, Chairman,
William Edenborn,
John Lambert (by request),

Pur... of the ...ral Steel ...pany.

Mr. Lambert stated that in accordance with the understanding arrived at in the Executive Committee meeting he the previous day, they had purchased the rods, to be made by the Illinois Steel Company the last half of this year, at $26.50 per ton, f. o. b. our different works in Joliet, Illinois. Upon motion duly seconded, the action was approved.

* * * * *

THE AMERICAN STEEL & WIRE COMPANY OF NEW JERSEY
EXECUTIVE COMMITTEE MEETING, May 22nd, 1899.

A special meeting of the Executive Committee of The American Steel and Wire Company of New Jersey was held at the office of the Company, in the Rookery Building, Chicago, on Monday, May 22nd, 1899, at four o'clock p. m.

The following members of the Committee were present:

I. L. Ellwood,
Wm. Edenborn,
J. W. Gates.

* * * * *

The question of the purchase of the lease of the Cuff Iron Mine, in Dickinson County, Michigan, was presented by Mr. Gates, together with an agreement executed with Welcome Hyde, of Appleton, Wisconsin (owner of the leasehold), to effect that he would transfer the said leasehold to the American Steel and Wire Company for the sum of $32,500. cash.

On motion regularly made and seconded, it was

...ase of ...Iron ...

RESOLVED, that the question of the purchase of the lease of the Cuff Iron Mine, located in Township 40 Range 30 West, on South-west Quarter of Section 22, Dickinson County, Michigan, for the sum of $32,500., be referred to the Chairman of the Company, with power to act.

Mr. Gates reported a proposition from W. C. Yawkey, of Detroit, Michigan, to grant to the American Steel and Wire

Company a mining lease of the property adjoining the Sauntry Mine and known as the Alpena Mine, for a term of 20 years from January 1st, 1900, at a royalty of 15 cents per ton with a minimum of 100,000 tons per annum and the payment of $25,000. advance royalties. Mr. Gates recommended that the proposition be accepted.

On motion regularly made and seconded, it was

Purchase of Alpena Mine

RESOLVED, that the proposition of W. C. Yawkey, of Detroit, Michigan, to grant to the American Steel and Wire Company a mining lease of Government Lots 3 and 4, otherwise described as the north half of the north-west quarter of Section 5, Township 58, north of Range 17 west, St. Louis County, Minnesota, for the term of twenty years from January 1st, 1900, the rate of royalty to be fifteen cents per gross ton with a minimum of 100,000 tons per year and a payment of $25,000. advance royalties, be accepted.

* * * * *

THE AMERICAN STEEL & WIRE COMPANY OF NEW JERSEY
EXECUTIVE COMMITTEE MEETING OCTOBER 31, 1899.

A special meeting of the Executive Committee of the American Steel and Wire Company of New Jersey was held at the offices of the Company in the Rookery, Chicago, October 31st, 1899.

The following members of the Committee were present:

I. L. Ellwood,
J. W. Gates,
John Lambert,

Purchase of Pig Iron & Rods.

the last-named being called in to act in the absence of Mr. Edenborn. The Committee duly came to order, Mr. Ellwood, Chairman, in the chair, O. Owen, Secretary, recording.

On motion regularly made and seconded, it was

RESOLVED, that the Company purchase 100,000 tons of rods from the Federal Steel Company and 80,000 to 90,000 tons of pig iron, at lowest possible prices, and that Mr. A. M.

Crane be authorized to purchase the pig iron and Mr. J. W. Gates be authorized to purchase the rods.

* * * * *

THE AMERICAN STEEL AND WIRE COMPANY OF NEW JERSEY
EXECUTIVE COMMITTEE MEETING NOVEMBER 1, 1899

A special meeting of the Executive Committee of the American Steel and Wire Company of New Jersey was held at the offices of the Company in the Rookery Building, Chicago, November 1, 1899.

The following members of the Committee were present:

I. L. Ellwood,
J. W. Gates,
John Lambert,

the last-named being called in to act in the absence of Mr. Edenborn. The Committee duly came to order, Mr. Ellwood, Chairman, in the chair, O. Owen, Secretary, recording.

On motion regularly made and seconded, it was unanimously

Coal etc. RESOLVED, that this Company do recommend to the American Coke Company that said Company build five hundred additional coke ovens, and put up a five thousand ton coal hoisting plant in Fayette County, Pa., and that it build coal steamers and barges for the transportation of coal to the various works in and around Pittsburg; and that this resolution be communicated to the American Coke Company.

* * * * *

THE AMERICAN STEEL AND WIRE COMPANY OF NEW JERSEY.
EXECUTIVE COMMITTEE MEETING 11/23/99.

A special meeting of the Executive Committee of The American Steel and Wire Company of New Jersey was duly held at the office of the Company, in the Empire Building, No. 71 Broadway, New York City, on November 23d, 1899, at 12:30 o'clock in the afternoon, pursuant to due notice.

The following members of the Committee were present:

Messrs. I. L. Ellwood, Chairman,
J. W. Gates, and

John Lambert, in place of Mr. Edenborn, absent.

* * * * *

Mr. Gates presented to the Committee a communication from Mr. Joseph Sellwood, dated Nov. 20, 1899, relative to some Iron Ore property consisting of about 80 acres, located on the Cascade Range in Michigan, which can be purchased for $17,500.

Thereupon the Committee proceeded to discuss the recommendation and action to be taken by this Company as the owner of the stock of The American Mining Company, concerning the purchase above mentioned, and

On motion regularly made and seconded, it was duly

Purchase of Cascade Range Ore Property Recommended.

RESOLVED, That it is to the interest of this Company that the purchase be made at a price not exceeding the amount mentioned; And be it

RESOLVED FURTHER, That this action of the Committee be communicated to the Directors and Officers of The American Mining Company with the suggestion and recommendation that they act in accordance therewith, and refer the consummation of the purchase to Mr. J. W. Gates, with power to act.

* * * * *

THE AMERICAN STEEL AND WIRE COMPANY OF NEW JERSEY MEETING OF EXECUTIVE COMMITTEE AND MESSRS LAMBERT AND SELIGMAN—NOVEMBER 24, 1899, CONSTITUTING A SPECIAL COMMITTEE

A meeting of the special committee appointed by the Board of Directors to consider the matter of the purchase of Witherbee, Sherman & Company's property near Port Henry, N. Y., consisting of the Executive Committee in conjunction with Messrs Lambert and Seligman, was held at the offices of the

Company in the Empire Building, New York City, November 24th, 1899.

The following were present:

I. L. Ellwood,
Wm Edenborn,
J. W. Gates,
John Lambert,
Henry Seligman.

* * * * *

On motion regularly made and seconded, it was

Witherbee Sherman property

RESOLVED, that the American Mining Company purchase the property of the Witherbee, Sherman & Company at Port Henry, N. Y., at the contract price, $1,500,000, provided title thereto is satisfactory to General Counsel.

RESOLVED FURTHER, that this resolution be communicated to the Board of Directors of the American Mining Company for action thereon in accordance therewith.

* * * * *

THE AMERICAN STEEL AND WIRE COMPANY OF NEW JERSEY EXECUTIVE COMMITTEE MEETING DECEMBER 1ST, 1899.

A special meeting of the Executive Committee of the American Steel and Wire Company of New Jersey was held at the Company's office in the Rookery, Chicago, December 1st, 1899.

The following members of the Committee were present:

I. L. Ellwood,
J. W. Gates,
John Lambert,

the last-named being called in to act in the absence of Mr. Edenborn. The Committee duly came to order, Mr. Ellwood, Chairman, in the chair, O. Owen, Secretary, recording.

On motion regularly made and seconded the following resolutions were adopted:

Neville Island Real Estate

WHEREAS, the needs of this Company demand the use of additional land in the State of Pennsylvania, and it is deemed desirable that this Company shall acquire the property situated near Pittsburg, commonly called the Neville Island property;

NOW, THEREFORE, BE IT RESOLVED, that the General Manager of this Company be and he is hereby authorized to acquire such land for a price not exceeding Eight Hundred Thousand Dollars.

BE IT FURTHER RESOLVED, that such General Manager be and he is hereby instructed to confer with the General Counsel of the Company, or with such local counsel as may be selected by said General Counsel, and to proceed under the instructions of such counsel, as to the best method and manner of acquiring such lands, and that such General Manager and General Counsel report from time to time to the Executive Committee as to the steps taken by them concerning said acquisition.

BE IT FURTHER RESOLVED, that the treasurer be and he is hereby instructed to make payments from time to time on account of such acquisition not exceeding said sum of Eight Hundred Thousand Dollars, as requested from time to time by the General Manager.

WHEREAS, it is deemed to the interest of this company that a railroad, under the control of this company, shall be built and operated upon the lands commonly known as "Neville Island," situated near Pittsburgh, Penna., said road to be located on or near the river bank, and to completely encircle said island; and,

WHEREAS, it is also deemed desirable, if possible, that said railroad, so to be constructed, shall be connected with and made available for the Shoenberger, Rankin, Braddock, South-side and Twenty-sixth Street plants at Pittsburg, and the Alleghany furnace.

NOW, THEREFORE, BE IT RESOLVED, that the General Manager and General Counsel of this company be and they are hereby instructed to forthwith proceed to incorporate a railroad to

ville Island Road Line.

be known as the "Pittsburg & Ohio Valley Railway Company," with an authorized capital of $500,000, for the purpose of constructing and operating said railroad as aforesaid, and that the Treasurer of this company be and he is hereby instructed at the request of said General Manager and General Counsel, to make such payments (not exceeding $100,000 at the present time) as may be required and as may be hereafter directed by the Executive Committee upon account of any subscriptions to the captial stock of said railroad, to be incorporated as aforesaid, and that the shares of stock which may be issued on account of any such payments, may be issued in the names of such persons, as trustees of this Company, as may be designated by the Executive Committee under the advice of the General Counsel.

* * * * *

THE AMERICAN STEEL AND WIRE COMPANY OF NEW JERSEY.
EXECUTIVE COMMITTEE MEETING DECEMBER 20TH, 1899.

A special meeting of the Executive Committee of the American Steel and Wire Company of New Jersey was held at the offices of the Company in the Rookery Building, Chicago, December 20th, 1899.

The following members of the Committee were present:

I. L. Ellwood,
Wm. Edenborn,
J. W. Gates,

The Committee duly came to order, Mr. Ellwood, Chairman, in the chair, O. Owen, Secretary, recording.

ing Scale tract with negie.

On motion regularly made and seconded, it was

RESOLVED, that the sliding scale contract with Carnegie Steel Company for billets, acquired from the Pittsburg Wire Company, with whom it was originally made, and which contains a six-months withdrawal clause, be left undisturbed for the present and no withdrawal notice given, but that the question be taken up again in June, 1900.

* * * * *

THE AMERICAN STEEL AND WIRE COMPANY OF NEW JERSEY, EXECUTIVE COMMITTEE MEETING, MARCH 6TH, 1900.

A special meeting of the Executive Committee of the American Steel and Wire Company of New Jersey was held at the office of the Company in the Rookery Building, Chicago, on Tuesday, March 6th, 1900.

The following members of the Committee were present:

I. L. Ellwood,
J. W. Gates,
Alfred Clifford,

the last named being called in to act in the absence of Wm. Edenborn. The Committee duly came to order; I. L. Ellwood, the Chairman, in the chair, and B. B. Ayers recording.

* * * * *

On motion regularly made and seconded, it was

Purchase of Stegmiller Lease.

RESOLVED, that Joseph Sellwood be and he is hereby instructed to close the purchase of the lease of the iron ore property known as the Stegmiller property, and adjoining the Princeton Mine on the Marquette Range, for the sum of $35,000, on the following terms: $20,000 to be paid down, and the balance of $15,000 one year from date of purchase; and in addition, 15 cents per ton royalty for all iron ore mined.

* * * * *

AMERICAN STEEL & WIRE COMPANY OF NEW JERSEY MEETING OF EXECUTIVE COMMITTEE MAY 16TH, 1900.

The first meeting of the new Executive Committee of the American Steel and Wire Company of New Jersey was held at the offices of the Company in the Rookery, Chicago, May 16th, 1900.

The following members of the committee were present:

Wm. Edenborn,
A. Clifford,
John Lambert,
Wm. P. Palmer,
I. L. Ellwood.

Messrs. Boynton, Miller, Crane and James Hopkins were also present a part of the time. The meeting duly came to order, Mr. Edenborn, Chairman, in the chair, O. Owen, Secretary, recording.

On motion regularly made and seconded, it was—

...-Out ...enberger ...atral ...s.

RESOLVED, That one furnace at Shoenberger Works be blown out for relining about July 1st, and one at Central Works, Cleveland, about June 1st; the exact dates to be fixed by the President and Gen. Supt.

On motion regularly made and seconded, it was—

... of Pig ... to ...egie.

RESOLVED, That Mr. Crane be and he is instructed to meet the Carnegie Steel Company people as soon as possible, and try to make a sale of pig iron to them which shall offset in part the payment of the billets which we have coming from them under the sliding scale contract; such quantity of pig iron not to exceed 30,000 tons——and—

Iron ...tracts.

FURTHER RESOLVED, That if Mr. Crane fails in so doing we notify the people from whom we have pig iron coming that we will take it on our contracts at an agreed rate per month, commencing say July and running over the last half of the year.

* * * * *

THE AMERICAN STEEL AND WIRE COMPANY OF NEW JERSEY.
EXECUTIVE COMMITTEE MEETING, MAY 22, 1900.

A special meeting of the Executive Committee of The American Steel & Wire Company of New Jersey was held at the Company's offices in The Rookery, Chicago, May 22nd.

The following members of the Committee were present:

Wm. Edenborn,
A. Clifford,
Wm. P. Palmer,
I. L. Ellwood.

There were also present J. S. Keefe and W. J. Calhoun. The meeting duly came to order, Mr. Edenborn, Chairman, in the chair, O. Owen, Secretary, recording.

* * * * *

The sliding scale billet contract with Carnegie Steel Company was discussed and Mr. Crane is directed to see that notice of withdrawal is given prior to July 1st. Billet Contract.

* * * * *

THE AMERICAN STEEL AND WIRE COMPANY OF NEW JERSEY.
EXECUTIVE COMMITTEE MEETING JUNE 7th, 1900.

A special meeting of the Executive Committee of the American Steel and Wire Company of New Jersey was held at the offices of the Company in the Rookery, Chicago, June 7th, 1900.

The following members of the Committee were present:

Wm. Edenborn,
A. Clifford,
I. L. Ellwood
Wm. P. Palmer Mr. Crane was also present.

The meeting duly came to order, Mr. Edenborn, Chairman, in the chair, O. Owen, Secretary, recording.

On motion regularly made and seconded it was—

RESOLVED, That Mr. Crane be and he is instructed to go to Pittsburg as early as possible and take up with the Carnegie Steel Company, cancellation of about 486 tons of ferro manganese; also 14,000 tons of billets for delivery prior to July 1st, paying up to $5. a ton on the billets for cancellation, but paying nothing on the ferro manganese. Cancellation Ferro and Billets, Carnegie.

On motion regularly made and seconded, it was—

RESOLVED, That the bill of the National Steel Company for $87,850. being cancellation charge of $7. a ton on 12,550 tons of steel, be paid, provided the number of tons checks up as correct. Bill for Cancellation National Steel Co.

* * * * *

THE AMERICAN STEEL AND WIRE COMPANY OF NEW JERSEY.
EXECUTIVE COMMITTEE MEETING SEPTEMBER 11, 1900.

A meeting of the Executive Committe of the American Steel & Wire Company of New Jersey was held at the offices

of the Company in the Rookery Building, Chicago, September 11, 1900.

The following members of the Committee were present:

Wm. Edenborn
Wm. P. Palmer
A. Clifford
I. L. Ellwood
J. W. Gates

Messrs. Baackes, Lott and Miller were also present part of the time. The meeting duly came to order, Mr. Edenborn, Chairman, in the chair, O. Owen, Secretary, recording.

* * * * *

On motion regularly made and seconded, it was

Anderson & South Side.

RESOLVED, That the General Superintendent be instructed to start Anderson and South Side Mills, in all departments, single turn, at the earliest possible date.

* * * * *

THE AMERICAN STEEL & WIRE COMPANY OF NEW JERSEY
EXECUTIVE COMMITTEE MEETING SEPTEMBER 19, 1900.

A special meeting of the Executive Committee of the American Steel and Wire Company of New Jersey was held at the office of the Company in the Rookery Building, Chicago September 19, 1900.

The following members of the Committee were present:

A. Clifford
I. L. Ellwood
Wm. Edenborn
Wm. P. Palmer
John Lambert
J. W. Gates

Mr. Pam was also present. Mr. Baackes was present part of the time.

The meeting duly came to order, Mr. Edenborn, Chairman, in the chair, Mr. Clifford recording.

* * * * *

On motion regularly made and seconded, it was

Shoenberger Furnace #2.

RESOLVED, That Shoenberger Blast Furnace No. 2 (now ille) be put in blast at once.

* * * * *

THE AMERICAN STEEL & WIRE COMPANY OF NEW JERSEY.
EXECUTIVE COMMITTEE MEETING OCTOBER 24, 1900.

A special meeting of the Executive Committee of the American Steel and Wire Company of New Jersey was held at the offices of the Company in the Rookery Building, Chicago, October 24th, 1900.

The following members of the Committee were present:

I. L. Ellwood
A. Clifford
John Lambert
J. W. Gates
Wm. P. Palmer

Mr. Hopkins was also present. In the absence of Mr. Edenborn, Mr. Clifford, on motion regularly made and seconded, was elected Chairman of the meeting, which duly came to order, Mr. Clifford in the chair, H. L. Gray recording.

* * * * *

On motion regularly made and seconded, it was

Blow in Central Furnace.

RESOLVED, That the matter of blowing in the additional furnace at Central Works, Cleveland, as recommended by the President, be referring (sic) to the Chairman and President, with power to act.

* * * * *

THE AMERICAN STEEL & WIRE COMPANY OF NEW JERSEY.
EXECUTIVE COMMITTEE MEETING NOVEMBER 1, 1900.

A special meeting of the Executive Committee of the American Steel & Wire Company of New Jersey was held at the offices of the Company in the Rookery Building, Chicago, November 1, 1900.

The following members of the Committee were present:

J. W. Gates
John Lambert
I. L. Ellwood
A. Clifford

Messrs. Pam and Baackes were also present.

26th St. and Edith Fnc.

In the absence of Mr. Edenborn, on motion regularly made and seconded, Mr. Clifford was elected Chairman of the meeting. The meeting duly came to order, Mr. Clifford in the chair, H. L. Gary recording.

On motion regularly made and seconded, it was—

RESOLVED, That, on recommendation of the President, the General Superintendent be and he is instructed to start Hainesworth Steel Works and blow in Edith Furnace at the earliest possible date.

* * * * *

THE AMERICAN STEEL AND WIRE COMPANY OF NEW JERSEY.
EXECUTIVE COMMITTEE MEETING, DECEMBER 10, 1900.

A special meeting of the Executive Committee of The American Steel and Wire Company of New Jersey was held at the offices of the Company in the Empire Building, New York City, December 10, 1900.

The following members of the Committee were present:

Wm. Edenborn,
A. Clifford,
Wm. P. Palmer,
I. L. Ellwood,
J. W. Gates,
Jno. Lambert.

Messrs. P. W. Moen and Max Pam were also present. The meeting duly came to order, Mr. Edenborn, Chairman, presiding, and L. Hall recording.

* * * * *

Thereupon there came up for discussion the question of acquiring old range or new range low phos. Bessemer mines, and it was stated that Mr. Edenborn had entered into an option contract for the acquisition and purchase of the Anticokan Mines, as President of the American Mining Company.

Thereupon upon motion duly made and seconded, it was

RESOLVED there be recommended to the American Mining Company, that the action of Mr. Edenborn, as its President, in the execution of said option contract be approved and ratified, and it be further recommended to the American Mining Company, that at the earliest possible moment they acquire an old range or new range low phos. Bessemer mine, preferably of hard ore.

* * * * *

THE AMERICAN STEEL AND WIRE COMPANY OF NEW JERSEY.
EXECUTIVE COMMITTEE MEETING FEBRUARY 5TH, 1901.

A meeting of the Executive Committee of The American Steel & Wire Company of New Jersey was held at the Company's offices in the Rookery, Chicago, February 5th, 1901.

The following members of the Committee were present:

Wm. Edenborn
A. Clifford
John Lambert
Wm. P. Palmer

The meeting duly came to order, Mr. Edenborn, Chairman, presiding, O. Owen, Secretary, recording.

* * * * *

On motion regularly made and seconded, the following resolutions were adopted:

Lease of Chisholm Mine $70,000

WHEREAS, The American Mining Company has an opportunity to lease from the Chisholm Iron Company the Chisholm Mine, adjoining Clark Mine, for $70,000. bonus and 35 cts. per ton royalty, 25 cts. of the royalty going to the fee holders and 10 cts. to the Chisholm Iron Company; minimum output, beginning next year, 100,000 tons annually,—be it

RESOLVED, That the American Mining Company be recommended to lease this Mine on these terms,—and be it

RESOLVED, That the Directors and Executive Committee of the American Mining Company be advised of this recommendation.

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THE AMERICAN STEEL AND WIRE COMPANY OF NEW JERSEY.
EXECUTIVE COMMITTEE MEETING FEBRUARY 6TH, 1901.

A meeting of the Executive Committee of the American Steel and Wire Company of New Jersey was held at the offices of the Company in the Rookery Building, Chicago, February 6th, 1901.

The following members of the Committee were present:

Wm. Edenborn
A. Clifford
I. L. Ellwood
John Lambert
Wm. P. Palmer

The meeting duly came to order, Mr. Edenborn, Chairman, presiding, H. L. Gray recording.

On motion regularly made and seconded, it was—

Purchase 75,000 Tons Sparta Ore.

RESOLVED, That the President be and he is authorized to close for 75,000 tons of Sparta Ore, guaranteed not to exceed .025 in phosphorus, price $2.85 Lake Erie Ports.

• • • • •

The following Minutes of the Directors of the American Steel & Wire Company of New Jersey (Record, page 849 to page 866) are offered in evidence by the Petitioner under the foregoing Stipulation, dated June 26, 1912 (page 359), for all purposes for which said Minutes are competent and relevant:

Each and all of said minutes are objected to by Counsel for said Defendants on the ground of incompetency, irrelevancy and immateriality.

(Director's Meeting January 17th, 1899.)

1/17/99.

The following directors were present:

Joseph R. Ellicott,
Robert S. Green,
Theodore S. Beecher.

The Chairman of the meeting then stated that Mr. Frederick P. Voorhees desired to make a statement to the Board respecting certain manufactories, properties and shares of stock in other corporations owned or controlled by him; and it was thereupon, on motion regularly made and seconded, duly

RESOLVED: that Mr. Voorhees be requested to present his statement in person.

Mr. Voorhees thereupon appeared before the Board and stated in substance that he owned, controlled or had duly contracted to acquire certain manufacturing plants and properties comprising plants of the Oliver Wire Company, the Consolidated Barb Wire Company, the Shenango Valley Steel Company, the Cincinnati Barb Wire Fence Company and the Newburgh Wire and Nail Company, together with certain other properties now or lately belonging to W. A. Laidlaw, the Allegheny Furnace Company and the Oliver & Snyder Steel Company, and also 3,903 shares of the capital stock of

the Cleveland Rolling Mill Company of the par value of $1,000 each, 1,000 shares, being the whole of the capital stock of the Worcester Wire Company, a majority of the shares of the capital stock of the Washburn & Moen Manufacturing Company, 3,600 shares, being the whole of the capital stock of the Pittsburgh Wire Company, and 203,015 shares of the preferred and common capital stock of the American Steel and Wire Company (of Illinois), which he was willing to sell to this Company provided suitable terms could be arranged. Mr. Voorhees described the character and value of the manufactories, properties and stocks which he offered for sale and withdrew. The Board then discussed the suggestion which had been made; and on motion duly made and seconded, the President and the Treasurer were appointed a Committee to investigate into the value of the properties, to confer with Mr. Voorhees respecting the terms of an agreement for the purchase thereof by this Company and to report at the adjourned meeting of the Board.

THE AMERICAN STEEL AND WIRE COMPANY OF NEW JERSEY.
DIRECTORS' MEETING 1/18/99. 12:30 P. M.

A meeting of the Board of Directors of the American Steel and Wire Company of New Jersey was held at No. 40 Wall Street, in the City of New York, on Wednesday, January 18, 1899, at 12:30 o'clock in the afternoon, pursuant to adjournment.

The following directors were present:

Joseph R. Ellicott,
Robert S. Green,
Theodore S. Beecher.

The meeting duly came to order, Mr. Ellicott, the President in the chair, and Mr. Beecher, the Secretary, recording.

VOORHEES PROPOSITION SALE OF PLANTS, ETC., ACCEPTED. The Committee appointed at the last meeting to investigate respecting the manufactories, properties and shares of stock offered by Mr. Voorhees for sale to the Company, and to con-

fer with Mr. Voorhees respecting the terms of an agreement for the purchase thereof by the Company, reported that they had investigated the value of the several manufactories, plants, patents, stock, materials and other properties owned or controlled by Mr. Voorhees, and the value of the assets of the companies, the shares of stock of which were offered by Mr. Voorhees, as bearing upon the proposed business, purposes and necessities of this Company; that they had conferred with Mr. Voorhees respecting the terms upon which he would sell and transfer such manufactories, properties and shares of stock to the Company; that Mr. Voorhees proposed to sell, transfer and assign said manufactories, properties and shares of stock to this Company in return for 249,000 shares of the fully-paid non-assessable preferred stock of the Company of the par value of $100 each, and for 471,000 shares of the fully-paid non-assessable common capital stock of the Company of the par value of $100 each, and $3,500,000 in cash. The Committee reported that the manufactories and other properties and shares of stock embraced in Mr. Voorhees' proposal were necessary for the objects and business of the Company and recommended that the proposition be accepted, and that counsel to the Company be instructed to draft a contract to carry out the terms of the purchase.

It was further stated that said Voorhess offered to transfer less shares of said Cleveland Rolling Mill Company and of said Washburn & Moen Manufacturing Company (but not less than a majority of each Company) and to retain shares of said Companies to the value of $3,500,000 and thus dispense with the payment of $3,500,000 in cash, but that the Committee recommended the acquisition of all shares held or controlled by said Voorhees.

The Committee further reported that in connection with such sale said Voorhees had offered to subscribe for 130,000 shares of the preferred capital stock of the Company and to pay therefor at par on call.

On motion regularly made and seconded, it was duly

RESOLVED: that the report of the Committee be accepted; and further

RESOLVED: that this Company purchase from Frederick P. Voorhees the manufactories, plant and properties now or lately of the Oliver Wire Company, the Oliver & Snyder Steel Company, the Shenango Valley Steel Company, the Laidlaw Bale Tie Company, the Cincinnati Barb Wire Fence Company, the Consolidated Barbed Wire Company, and the shares of stock owned or controlled by him in the Cleveland Rolling Mill Company, the Pittsburgh Wire Company, the Washburn & Moen Manufacturing Company, the Worcester Wire Company and the American Steel and Wire Company, for the consideration of 249,000 shares of the preferred capital stock of the Company and 471,000 shares of the common capital stock of the Company, and $3,500,000 in cash, and that a subscription of said Voorhees for 130,000 shares of the preferred capital stock of the Company be accepted; and further

RESOLVED that upon the execution of such contract the officers of the Company be authorized and directed to issue to Frederick P. Voorhees the shares of preferred and common capital stock of the Company above named; and further

RESOLVED that the shares of stock of the Cleveland Rolling Mill Company, the Pittsburgh Wire Company, the American Steel and Wire Company, the Washburn & Moen Manufacturing Company and the Worcester Wire Company covered by the above mentioned resolution and contract, when acquired, be transferred on the books of said Companies into the name of Frederick P. Voorhees, or as the officers of this Company may direct, and that a declaration of trust to its use covering said shares be prepared and executed and that any shares transferred to qualify directors be covered by options to purchase for the benefit of this Company.

The foregoing resolutions were passed by the board of directors at the request and with the consent of all the stockholders of this Company.

(Directors' Meeting, January 25th, 1899.)

1/25/99.

The following directors were present, as evidenced by the roll-call:

Messrs. John W. Gates,
William Edenborn,
Isaac L. Ellwood,
John Lambert,
Stewart H. Chisholm,
William P. Palmer,
George T. Oliver,
Philip W. Moen,
Charles T. Boynton,
James Hopkins,
Frederick Strauss,
Henry Seligman,
Frederick P. Voorhees.

(Directors' Meeting, June 23, 1899.)

A special meeting of the Board of Directors of The American Steel and Wire Company of New Jersey was held at the offices of the Company, No. 71 Broadway, New York City, on June 23, 1899, at 11 o'clock in the forenoon, pursuant to due notice.

The following Directors were present as evidenced by the roll-call:

John W. Gates,
I. L. Ellwood,
John Lambert,
William Edenborn,
Henry Seligman,
Stewart H. Chisholm,
Philip W. Moen,
William P. Palmer,
Frederick Strauss,
Frederick P. Voorhees,
George T. Oliver,
Charles T. Boynton,
James Hopkins,

* * * * *

On motion regularly made and seconded, it was thereupon further

Previous Resolution Rescinded.

RESOLVED, that the foregoing resolution be rescinded, and further

Acquiring Connellsville Coal Lands.

RESOLVED, that it is the sense of the Board that it would be to the interest of the Company to acquire at cost the 3100 acres of coking coal land in the Connellsville district, Fayette County, Pennsylvania, on which Messrs. Gates, Ellwood and Edenborn had taken an option for $580,000, payments to be deferred during a period of from three to five years, with interest at from three and a half to five per cent; and that the matter of the legal method of acquiring the same be referred to the Executive Committee and Counsel with power to act.

On motion regularly made and seconded, it was duly

Additional Blast Furnaces Authorised. Committee on Foregoing.

RESOLVED, that the two additional Blast Furnaces be constructed by this Company, one adjoining its Edith Plant in the Pittsburgh district, and one adjoining its Central plant in the Cleveland District, and that William P. Palmer, F. H. Daniels, C. L. Miller and W. R. Walker be appointed a committee to procure bids for the building of such furnaces and submit the same to the Executive Committee with all due diligence; and that the Executive Commitee have power to proceed with the construction of such furnaces.

* * * * *

On motion regularly made and seconded, it was duly

Old Range Ore Supply.

RESOLVED, that it be referred to the Executive Committee to investigate the question of procuring Old Range Ore sufficient to supply the wants of this Company, and that the said Committee report its recommendation thereon at the next meeting of this Board.

* * * * *

(Directors' Meeting, September 18, 1899.)

A special meeting of the Board of Directors of The American Steel and Wire Company of New Jersey was held at the

offices of the Company, No. 71 Broadway, New York City, on September 18, 1899, at 11 o'clock in the forenoon, pursuant to due notice.

The following directors were present as evidenced by the roll-call:

I. L. Ellwood,
John Lambert,
Wm. Edenborn,
Henry Seligman,
S. H. Chisholm,
P. W. Moen,
Wm. P. Palmer,
F. Strauss,
A. Clifford,
James Hopkins,
C. C. Howard.

* * * * *

Monongahela & Greene Co. Coal Lands Purchase Confirmed.

Thereupon the following resolution relating to the purchase of Monongahela Valley lands was, on motion regularly made and seconded, unanimously adopted:

WHEREAS, the Executive Committee authorized the purchase of 5000 acres of coal land in the Monongahela Valley Pennsylvania, being a part of 8000 acres of coal lands on which an option had been secured heretofore; and

WHEREAS, J. W. Gates and William Edenborn, under the direction of the Executive Committee, consummated the purchase of such 5000 acres for the consideration of $850,000. and also consummated the purchase of 1000 acres, of coal lands in Greene County, Pennsylvania, for the consideration of $80,000. all being made upon terms stated in the contracts of purchase; and

WHEREAS, Under the direction of the Executive Committee the American Coke Company made said purchase of said coal lands; and

WHEREAS, It is necessary and expedient for this Company to have such purchase made and acquire said coal lands upon the terms agreed upon; therefore

BE IT RESOLVED, That the action of the Executive Committee in causing such coal lands to be purchased and acquired by the American Coke Co. be, and the same in all respects is hereby ratified, confirmed and approved, such purchase to be perfected and title taken under direction of General Counsel.

Thereupon the following resolution relating to the purchase of Fayette County Coal Lands was, on motion regularly made and seconded, unanimously adopted:

Fayette Co. Coal Lands Acquisitions Confirmed.

WHEREAS, The Directors heretofore authorized the purchase of 3100 acres of coal lands in German Township, Fayette Co., Pennsylvania, with the mining rights, and such purchase was referred to the Executive Committee with power to act; and

WHEREAS, Pursuant to the directions of the Executive Committee, Wallace H. Rowe has entered into a contract for the acquisition of such coal lands upon the terms and conditions stated in such contract; now therefore

BE IT RESOLVED, That the action of the Executive Committee in causing such purchase, as well as the action of Wallace H. Rowe in making the contract therefor, be and the same in all respects are hereby ratified, confirmed and approved.

BE IT FURTHER RESOLVED, That the contract of said Rowe for the purchase and acquisition of said property under the direction of the General Counsel of this Company be carried out and perfected.

* * * * *

Thereupon the following resolution relating to the Franklin Mining Company was, on motion regularly made and seconded, unanimously adopted:

Old Range Ore Franklin Mining Co. Atlantic Mine

WHEREAS, The Directors at the last meeting referred the question of the acquisition of Old Range Ores to the Executive Committee with power to act; and

WHEREAS, The Executive Committee has authorized and caused the American Mining Company to enter into a contract with the Franklin Mining Co. for the assignment by

said Franklin Mining Company to the American Mining Company, certain leases now owned by it and to be acquired, and upon property known as the Atlantic Mines; and Acquisition Confirmed.

WHEREAS, It is to the interest of this Company that the contract for such leases of the Atlantic Mine be consummated; therefore

BE IT RESOLVED, That the action of the Executive Committee be and the same in all respects is hereby ratified, confirmed and approved.

* * * * *

(Directors' Meeting, November 8, 1899.)

A special meeting of the Board of Directors of The American Steel and Wire Company of New Jersey was held at the offices of the Company, No. 71 Broadway, New York City, on November 8, 1899, at 11 o'clock in the forenoon, pursuant to due notice.

The following Directors were present, as evidenced by the roll-call:

J. W. Gates,
I. L. Ellwood,
John Lambert,
Wm. Edenborn,
Henry Seligman,
P. W. Moen,
Wm. P. Palmer,
A. Clifford,
George T. Oliver,
J. A. Drake,
James Hopkins,
C. C. Howard.

* * * * *

On motion regularly made and seconded, duly

RESOLVED, That a Committee composed of Messrs. Lambert, Edenborn and Oliver, be authorized and empowered to Neville Island Committee.

purchase such acreage in the Pittsburgh District, on Neville Island or elsewhere, as in their judgment seems desirable and necessary, whereon to erect one Blast Furnace already contracted for, together with the necessary appurtenances.

* * * * *

(Directors' Meeting, January 29th, 1900.)

A special meeting of the Board of Directors of The American Steel and Wire Company of New Jersey was held at the offices of the Company, The Rookery Building, Chicago, Illinois, on January 29th, 1900, at ten o'clock a. m., pursuant to due notice.

The following Directors were present, as evidenced by the roll-call:

J. W. Gates,
I. L. Ellwood,
Wm. Edenborn,
John Lambert,
Henry Seligman,
Frederick Strauss,
P. W. Moen,
Wm. P. Palmer,
Alfred Clifford,
C. T. Boynton,
James Hopkins,
J. A. Drake.

* * * * *

BE IT FURTHER RESOLVED, That the meeting of the stockholders of this Company so called for February twentieth, 1900, at eleven o'clock a. m., at the office of the Company, number 60 Grand Street, in the City of Jersey City, in the State of New Jersey, be and the same is hereby further called and designated as a special meeting of the stockholders of this Company, to consider and take action on the following proposed amendments to the certificate of incorporation of this Company, all of which amendments and changes the

Board of Directors does now declare to be advisable and proper, viz:

By specifically conferring upon this Company, in its certificate of incorporation, the power:

Proposed Changes in Certificate of Incorporation.

1st. To engage in and carry on in all respects the business of buying, acquiring, selling, operating and using mines and mining products of every kind and character.

2nd To engage in and carry on the business of constructing, buying, selling, leasing and operating railroads, wharfs, piers and kindred business and enterprises, and general transportation business.

3rd. To engage in and carry on and conduct the business of buying, selling, leasing and operating steamships and other methods of water transportation, and any and all business incident to and connected therewith.

* * * * *

(Directors' Meeting, April 20th, 1900.)

A special meeting of the Board of Directors of The American Steel and Wire Company of New Jersey was held at the offices of the Company, No. 71 Broadway, New York City, on April 20th, 1900, at 11:00 o'clock A. M. pursuant to due notice.

The following Directors were present, as evidenced by the roll-call:

John W. Gates,
Isaac L. Ellwood,
John Lambert,
Wm. Edenborn,
Henry Seligman,
Stewart H. Chisholm,
Philip W. Moen,
Wm. P. Palmer,
Frederick Strauss,
Alfred Clifford,
Thomas Dolan,

John A. Drake,
James Hopkins,
Leslie D. Ward.

* * * * *

Am. Steel Co.
Ill. Steel Co.

Thereupon a committee composed of Messrs. E. H. Gary, H. H. Rogers and Robert Bacon, representing the Illinois Steel Company, were introduced, and a discussion ensued regarding certain issues between the Illinois Steel Company and this Company, regarding which it was

On motion regularly made and seconded, duly

RESOLVED, That the Executive Committee of this Company be authorized and directed to take up and settle with the Illinois Steel Company, or its representatives, the questions at issue between the two companies, and execute and deliver to the Illinois Steel Company a letter in the following form:

New York, April 20, 1900.

Illinois Steel Co.,
Chicago, Ill.

Gentlemen:—

At the present time there are in existence certain contracts between you and The American Steel and Wire Company, for the sale and purchase of a large quantity of Rods and a large quantity of Billets, upon which certain deliveries have been made, and on account of which a large tonnage is still undelivered.

For the reason that our business interests will not allow us to continue to receive Rods and Billets on account of these contracts as therein provided without inconvenience to our Company, we request you to cease making shipments and deliveries for the present. We do not ask you to make any agreement for a postponement of deliveries, nor to waive in any respect your right to make deliveries and collect the proceeds in accordance with the contracts in force. If you make any postponements of deliveries it is understood they will be made without prejudice to your right to enforce the contracts, and that the same shall not constitute in any re-

spect a waiver on your part. You shall have the right at any time you see fit to make deliveries and enforce the contracts the same as if this request had not been made and no deliveries had been postponed.

We agree that, if deliveries are postponed and by reason thereof payments are not made on account of the contracts as they otherwise would have been made, you shall be paid interest at the rate of 5% on the deferred payments. We agree further that we will take the Rods and Billets on account of these contracts and use the same at our seven Western mills in preference to taking and using Rods and Billets from our own mills.

Yours truly,
American Steel & Wire Co.,
(Signed) J. W. Gates,
Chairman.

* * * * *

(Directors' Meeting, January 28, 1901.)

A special meeting of the Board of Directors of The American Steel and Wire Company of New Jersey was held at the offices of the Company, No. 71 Broadway, New York City, on January 28, 1901, at 11:00 a. m., pursuant to due notice.

The following Directors were present, as evidenced by the roll-call:

Isaac L. Ellwood,
John Lambert,
Wm. Edenborn,
Randal Morgan,
Stewart H. Chisholm,
Philip W. Moen,
Wm. P. Palmer,
Alfred Clifford,
John A. Drake,
James Hopkins,
Thomas Dolan,

Leslie D. Ward,
P. A. B. Widener,
John W. Gates.

* * * * *

Thereupon the Chairman presented to the Board an annual statement showing the profits and outlining the operations of the Company for the year 1900.

On motion regularly made and seconded, it was duly

Chairman's Annual Report.

RESOLVED that the Chairman's annual report be accepted and spread upon the record, and the original thereof be placed in the hands of the Secretary of the Company for preservation among the records of the Company.

It is as follows:

"CHICAGO, JANUARY 26, 1901.

TO THE BOARD OF DIRECTORS OF THE AMERICAN STEEL & WIRE COMPANY,

Gentlemen:—

In submitting the annual statement of the Company for the year 1900, we will only call attention to a few matters that cannot be set forth fully in said statement.

Our sales for the year amount to.....	$57,869,587.81
and our losses from bad debts amount to but.....	21,804.98

or $\frac{3.7}{10,000}$ of 1%

Our gross profits for 1900 were.....	$8,002,129.14
Out of which we have set aside to cover depreciation and dismantlements of plants, the sum of.....	1,000,000.00
Leaving nets profits amounting to.....	$7,002,129.14

We have expended upon new construction and improvements (nearly all of which was contracted for prior to April, 1900) the sum of $5,994,227.82.

The American Steel & Wire Company was incorporated in January, 1899, but it was soon evident, in view of other consolidations which quickly followed, that a more extensive investment in ore, coal, coke, blast furnaces and steel plants was absolutely essential, and the Board of Directors made purchases of ore and coal lands and contracted for the building of two large modern furnaces, as well as the purchase of the Shoenberger Steel Works and various other smaller plants, competing against us in the manufacture of wire. We still think these purchases were wise, and believe that the future will show that all of our investments were profitable ones for the company.

* * * * *

It is estimated that the completion of blast furnaces, opening of ore and coal mines, and various other improvements to be paid for during the year 1901, will amount to the sum of $3,124,600.00. When this work is completed we shall have sufficient iron ore, coal and coke to cover our wants for many years to come, and our blast furnaces and steel works will convert same into steel of suitable quality and sufficient in quantity to practically cover our requirements.

* * * * *

Very respectfully,
ALFRED CLIFFORD,
Chairman."

(Directors' Meeting, May 3rd, 1901.)

An adjourned meeting of the Board of Directors of The American Steel and Wire Company of New Jersey was held

at the offices of the Company, No. 71 Broadway, New York City, on May 3, 1901, at 3:00 o'clock in the afternoon, pursuant to former adjournment and due notice.

The following Directors were present, as evidenced by the roll-call:

John W. Gates
Isaac L. Ellwood
John Lambert
Wm. Edenborn
Thomas F. Ryan
Stewart H. Chisholm
Randal Morgan
Alfred Clifford
James Hopkins
Leslie D. Ward
H. Clay Pierce

Messrs. E. H. Gary and C. M. Schwab were also present.

* * * * *

The meeting came duly to order, Mr. J. W. Gates, Chairman, presiding, and Mr. F. E. Patterson, Assistant Secretary of the Company, recording.

* * * * *

On motion regularly made and seconded, it was duly

RESOLVED, that the reading of the call pursuant to which said meeting is held be omitted but that a copy of it be spread upon the minutes of this meeting.

It is as follows:

"NEW YORK, APRIL 27, 1901.

To the Board of Directors,
American Steel & Wire Company of New Jersey.

Gentlemen:—

A meeting of the Directors of the Company, called for today, has been adjourned to take place at the office of the

Company in the Empire Building, New York City, on Friday the third day of May, at 3 o'clock P. M. This meeting is called at the instance of the United States Steel Corporation, who desires a reorganization of the Board of Directors, and who requests that each of the Directors of this Company submit his resignation so they may act thereon at the meeting to be held Friday, in accordance with their proposed reorganization.

Accordingly I herewith notify you of the meeting and submit the request for the resignation.

It is hoped that all the Directors will be present so as to facilitate the United States Steel Corporation in a prompt reorganization of the Board.

Yours truly,
J. W. Gates,
Chairman."

* * * * *

On motion regularly made and seconded, it was duly

E. H. Gary Elected Director.

RESOLVED, that Mr. E. H. Gary be elected as a Director of the Company to fill the vacancy caused by Mr. Dolan's resignation.

Mr. Gary being present thereupon took his place as a member of the Board and participated in the following proceedings.

* * * * *

On motion regularly made and seconded, it was duly

C. M. Schwab Elected Director.

RESOLVED, that Mr. C. M. Schwab be elected as a Director of the Company to fill the vacancy caused by Mr. Widener's resignation.

Mr. Schwab being present thereupon took his place as a member of the Board and participated in the following proceedings.

* * * * *

On motion regularly made and seconded, it was duly

C. L. Miller Elected Director.

RESOLVED, that Mr. C. L. Miller be elected as a Director

of the Company to fill the vacancy caused by Mr. Pierce's resignation.

* * * * *

On motion regularly made and seconded, it was duly

F. Baackes Elected Director. Jas. Hopkins J. W. Gates T. F. Ryan R. Morgan I. L. Ellwood Jno. Lambert Resign.

RESOLVED, that Mr. Frank Baackes be elected as a Director of the Company to fill the vacancy caused by Mr. Chisholm's resignation.

Thereupon the resignations of Messrs. James Hopkins, J. W. Gates, Thomas F. Ryan, Randal Morgan, I. L. Ellwood and John Lambert, as Directors and Officers of this Company and of its subsidiary Companies, were presented to the Board in the order named.

* * * * *

(Directors' Meeting, July 15th, 1902.)

7/15/02.

The minutes of the meeting of the Board held June 23rd, 1902, were read, and

On motion, regularly made and seconded, it was duly

RESOLVED, that said minutes be approved.

The Committee (consisting of Messrs. Baackes, Keefe and Farrell) heretofore appointed to effect purchase of the capital stock of the Griswold Wire Co. of Braddock, Pa., (750 shares) reported that they had completed said purchase by the payment of $105,000. on basis of $140. per share (the sellers having guaranteed that the assets exceed the liabilities by about $30,000., making actual purchase price to this Company about $75,000.)

They reported further that the capital stock had been transferred and was now held in names of persons designated by this Company.

On motion, regularly made and seconded, it was duly

RESOLVED, that the actions of the Committee, in effecting said purchase, and of the officers of the Company, in making payment for said stock of the Griswold Wire Company and in executing the necessary documents in connection with said purchase, be and the same hereby are in all respects ratified, approved and confirmed, and said Committee is discharged.

The following Minutes of the Directors of the Clairton Steel Company (Record Page 867 to page 871), are offered in evidence by the Petitioner under the foregoing Stipulation, dated June 26, 1912 (Page 359), for all purposes for which said Minutes are competent and relevant:

Each and all of said minutes are objected to by Counsel for said Defendants on the ground of incompetency, irrelevancy and immateriality.

(Directors' Meeting, July 14, 1903.)

July 14th, 1903.

* * * * *

Present: Messrs. Reuben Miller, W. P. Snyder, R. E. Jennings, Herbert DuPuy and Frank B. Smith.

Minutes of meeting held October 22, 1903, duly approved.

The President stated that the meeting was called for the purpose of taking action upon the proposition submitted to the Crucible Steel Company of America, copy of which will be found as follows—

NEW YORK, JULY 10, 1903.

To The
Crucible Steel Company of America,
Pittsburgh, Pa.

Dear Sirs:—

E. H. Gary
H. C. Frick
and
W. E. Corey
and
W. P. Snyder
and
Oliver & Snyder Steel Co

Committee appointed by Finance Committee of the United States Steel Corporation, with power to act, by W. E. Corey, duly authorized by his associates to execute this agreement:—

make you the following proposition:

We agree to purchase at par,.....
The United States Steel Corporation..... $4,000,000.
W. P. Snyder. ..... 1,000,000.
Oliver & Snyder Steel Company..... 1,000,000.
of an issue to be made immediately, of bonds..... 6,000,000.
in all, secured by a mortgage on all the property of the Clairton Steel Company; The bonds to bear interest at the rate of (5%) five per cent. per annum; interest payable semi-annually and to fall due in equal proportions in ten (10), fifteen (15) and twenty (20) years from the first day of August next. The proceeds of such bonds to be paid into the Treasury of the Clairton Steel Company.

The Union Trust Company of Pittsburgh to be the Trustee of the mortgage securing the bonds; The moneys to be paid through them; and in consideration of the additional security for the payment of the above ($6,000,000.) six million dollars into the treasury of the Clairton Steel Company, which, in effect will be an additional guarantee of payment of an issue of bonds of the Clairton Steel Company heretofore negotiated by said Trust Company, they are to release the shares of stock of the Clairton Steel Company, which they now hold as Trustee, for the purpose hereafter stated, namely;

The United States Steel Corporation to receive as part consideration for the above purchase of $4,000,000. bonds, one half (½) of the shares of the total capital stock of the Clairton Steel Company.

W. P. Snyder to receive one eight (⅛) of the shares of the total capital stock of the Clairton Steel Company;

Oliver & Snyder Steel Company to receive one eight (⅛) of the shares of the total capital stock of the Clairton Steel Company;

The remaining twenty-five per cent. (25%) of the shares of the total capital stock of the Clairton Steel Company, to be owned and held by your Company.

The money for the bonds to be paid in as quickly as the needs of the Clairton Steel Company require.

To enable the Clairton Steel Company to work to its full capacity, and also maintain market prices for pig iron and steel, a division of product in kind shall be made as follows:

The United States Steel Corporation agree to give orders regularly, and receive and pay for one half (½) of the total product of pig iron or steel made by the Clairton Steel Company.

The Crucible Steel Company of America agree to give orders, and receive and pay for one quarter (¼) of the products of the Clairton Steel Company.

W. P. Snyder agrees to give orders, and receive and pay for one eight (⅛) of the products of the Clairton Steel Company.

Oliver and Snyder Steel Company agree to give orders and receive and pay for one eight (⅛) of the products of the Clairton Steel Company.

The prices to be paid for the pig iron or steel product of the Clairton Steel Company are to be fixed quarterly by the Board of Directors of the Company, to be uniform to all the stockholders and to be as nearly as can be ascertained general market prices current to the trade.

It is agreed that the organization, management and present officers of the Clairton Steel Company shall be continued, during the pleasure of the Board of Directors, as at present constituted, but to avoid a possible dead lock in future, the Board of Directors shall consist of an odd number and to have one Director as an Arbitrator, in whose fairness and judgment we would have all confidence, and to decide in case differences of opinion in the Board should arise, the odd member of the Board shall hereafter be a member of the firm of J. P. Morgan & Company of New York.

The remaining members of the Board shall be named, one half by the United States Steel Corporation, one fourth by the Crucible Steel Company of America, and the remaining one fourth by the W. P. Snyder and the Oliver & Snyder interests, jointly.

The Treasurer of the Clairton Steel Company shall hereafter be whoever may be at the time the Treasurer of the Carnegie Steel Company of Pittsburgh, Pa.

This agreement to go into effect and be binding on all parties on its acceptance by a resolution of the Board of Directors of the Crucible Steel Company of America, duly attested

and affixed hereto, which action must be taken prior to the 25th day of this month.

The improvements on the property shall consist of such as are mentioned in the original proposition, namely:

Three (3) Blast Furnaces
Twelve (12) Open Hearth Furnaces
One (1) Blooming Mill
One (1) Billet Mill, now nearing completion. Also such additional improvements as may hereafter be mutually agreed upon.

The Comptroller of the United States Steel Corporation is to have the privilege of examining the books and accounts of the Clairton Steel Company and its allied companies, for the purpose of verifying the statement that the actual cost of the properties is as heretofore represented to us. Unless so verified as being correct, this proposition shall, at our option be null and void.

It is also agreed that we are to receive, as an additional part consideration of the foregoing subscription to the bonds, shares of stock in the Terminal Railroad and Bridge Company, as follows, namely:

United States Steel Corporation	50 per centum;
W. P. Snyder	12½ per centum;
Oliver & Snyder Steel Company	12½ per centum;

and that the Board of Directors and Treasurer be provided for in like manner, as hereinbefore stipulated for the organization of the Clairton Steel Company.

It is agreed that the moneys provided from the above sale of bonds are to be paid out of the Treasury only on the approval of the Directors selected as aforesaid, or by some person or persons to be designated by them.

It is understood and agreed that the President and other officers of the Clairton Steel Company will not engage in new enterprises in the Steel business, in competition with the United States Steel Corporation, during the time that they may continue in the organization of the Clairton Steel Company as officers or employees thereof.

It is understood and agreed that the Clairton Steel Company certify that the list of existing contracts submitted to the United States Steel Corporation and attached hereto, is a correct and true account of obligations to be performed.

This agreement when finally concluded, to be formally ratified by the Finance Committee of the United States Steel Corporation, the Directors of the Crucible Steel Company of America, the Board of Directors of the Clairton Steel Company and the Board of Directors of the Oliver & Snyder Steel Company, and certified copies of said resolutions attached hereto.

Respectfully submitted,

Upon motion, duly made and seconded, the proposition was approved by the adoption of the following resolution.

Resolution of the Clairton Steel Company,

Be it Resolved, That this Company ratifies and approves the proposition of the United States Steel Corporation, the Oliver & Snyder Steel Company and W. P. Snyder to the Crucible Steel Company of America, dated July 10th, 1903, and that the proper officers of this Company be authorized and empowered in the name and on behalf of this Company to do all things necessary for the purpose of carrying the same into effect.

I, George L. Brown, Secretary of the Clairton Steel Company, hereby certify that the above is a true and correct copy of the Resolution adopted by the Directors of the Clairton Steel Company, at a meeting held July 14th, 1903.

GEORGE L. BROWN,
Secretary.

There being no further business, the meeting adjourned.

GEORGE L. BROWN,
Secretary.

The following Minutes of the Directors and Stockholders of the Illinois Steel Company (Record, page 872 to page 880), are offered in evidence by the Petitioner under the foregoing Stipulation, dated June 26, 1912 (page 359), for all purposes for which said Minutes are competent and relevant:

Each and all of said Minutes are objected to by Counsel for said Defendants on the ground of incompetency, irrelevancy and immateriality.

(Directors' Meeting—December 9, 1896)

* * * * *

Present: Marshall Field,
Nathaniel Thayer,
Morgan Rotch,
Francis Bartlett,
A. J. Forbes-Leith,
J. W. Gates,
W. L. Brown,

being a quorum.

* * * * *

The President reported that, in accordance with the authority given him at the meeting of the Board on the 9th ult., he had given instructions to have all operations and expenditures cease at the works of the Universal Construction Co. (of which this company owns a majority of the capital stock).

* * * * *

(Directors' Meeting—October 19, 1897)

* * * * *

Present: Francis L. Higginson,
Nathaniel Thayer,
Cornelius C. Cuyler,

Francis Bartlett,
Morgan Rotch,
A. J. Forbes-Leith,
William L. Brown,
J. W. Gates,

being a quorum.

* * * * *

SALE OF ROD PRODUCT OR THE JOLIET PLANT.

The President reported verbally the probable early consolidation of all the principal wire companies in the United States and that upon consummation of same this company would be asked either to make a contract for a term of years with the new company to sell its rods at a certain price to be agreed upon over and above the price of billets at Pittsburg or to sell its Joliet plant at an agreed price.

The subject was discussed, and upon motion of Mr. Nathaniel Thayer, duly seconded, it was

RESOLVED, That the matters of a possible sale of the Company's product of rods for a term of years or the sale of its Joliet plant be referred to the Executive Committee for further consideration and report.

* * * * *

(Directors' Meeting—December 17, 1897)

* * * * *

Present: Nathaniel Thayer,
Isaac L. Elwood,
William L. Brown,
Marshall Field,
A. J. Forbes-Leith,
J. W. Gates,

being a quorum.

* * * * *

Reports of Officers of the Board.
Universal Construction Company.

The President advised in connection with his report to the Board of Directors on December 9, 1896, stating that all operations would cease at the works of the Universal Construction Company, that since that time, while the producing part of the plant had been closed, the fitting shop had been operated at a small profit, and that such operations would continue as long as they proved profitable.

* * * * *

Sale of Rods and Billets.

This being in the hands of the Executive Committee, the Chairman, Mr. J. W. Gates, reported an association had been formed which would probably control the entire product of rods and wire in the United States except that of the Illinois Steel Company, and that said association had requested the Illinois Steel Company through him to appoint a committee to meet a committee from their association with a view to the sale of this company's product of rods and billets for a period of five or ten years based upon an equitable price above the market value of pig iron, and that it was desirable that said committee meet early in January. On motion of Mr. A. L. Brown, duly seconded, it was

Resolved, That J. W. Gates, A. J. Forbes-Leith and Nathaniel Thayer be appointed a committee with power to act in connection with the sale of this company's rod and billet product to the consolidated association.

* * * * *

(Stockholders' Meeting—February 9, 1898)

* * * * *

The above votes were cast for the following named directors:

Nathaniel Thayer,
Francis Bartlett,

Francis L. Higginson,
Morgan Rotch,
A. J. Forbes-Leith,
Marshall Field,
Norman Williams,
William L. Brown,
Elbert H. Gary,
Cornelius C. Cuyler,
John W. Gates.

* * * * *

(Directors' Meeting—April 27, 1898)

* * * * *

Present: J. W. Gates,
A. J. Forbes-Leith,
Nathaniel Thayer,
Francis Bartlett,
William L. Brown,
Cornelius C. Cuyler,
Morgan Rotch,
Elbert H. Gary,

being a quorum.

* * * * *

ELECTION OF DIRECTOR.

On motion, duly seconded, the Board proceeded to the election of a Director to succeed Mr. Francis L. Higginson, resigned.

On motion, duly seconded, it was

RESOLVED, That the Secretary be instructed to cast the unanimous vote of the Board for Mr. Robert Bacon as a Director.

The vote was cast in accordance with the above resolution, and thereupon the President declared Mr. Robert Bacon duly

elected as Director to fill the unexpired portion of the year for which Mr. Francis L. Higginson had been elected

* * * * *

(Directors' Meeting—July 12, 1898)

* * * * *

Present: J. W. Gates,
W. L. Brown,
A. J. Forbes-Leith,
Nathaniel Thayer,
E. H. Gary,
Morgan Rotch,
Francis Bartlett,
C. C. Cuyler,
Marshall Field,

being a quorum.

* * * * *

(Directors' Meeting—August 17, 1898)

* * * * *

There were present

J. W. Gates,
Nathaniel Thayer,
C. C. Cuyler,
A. J. Forbes-Leith,
Robert Bacon,
E. H. Gary,
Morgan Rotch,
W. L. Brown,
Francis Bartlett,
} Directors.

being a quorum.

* * * * *

On motion, duly seconded, the following resolution was adopted:

RESOLVED, That a committee consisting of J. W. Gates, N. Thayer, W. L. Brown, A. J. Forbes-Leith and Robert Bacon, be and is hereby appointed to consider in connection with the Minnesota Iron Company, the question of purchasing the property or an interest in the property of the Johnson Company and Lorain Steel Company, with full power of the Board.

On motion, duly seconded, the following resolution was adopted:

RESOLVED, That a committee consisting of J. W. Gates, N. Thayer, W. L. Brown, A. J. Forbes-Leith and Robert Bacon, be and is hereby appointed to consider in connection with the Minnesota Iron Company the question of purchasing the stock or property of the Elgin Joliet & Eastern Railway Company with full power of the Board.

* * * * *

(Directors' Meeting—August 30, 1898)

* * * * *

There were present:

J. W. Gates,
A. J. Forbes-Leith,
Nathaniel Thayer,
Morgan Rotch,
Francis Bartlett,
C. C. Cuyler,
E. H. Gary,
Robert Bacon,
} Directors.

being a quorum.

* * * * *

(Stockholders' Meeting—February 23, 1899)

* * * * *

We do further report that 186121 votes were cast for each of the following named directors:

E. H. Gary,
C. C. Cuyler,
Edward Shearson,
Nathaniel Thayer,
Robert Bacon,
Morgan Rotch,
Marshall Field,
W. L. Brown,
E. J. Buffington,
C. H. Foote,
T. J. Hyman.

* * * * *

(Directors' Meeting—June 13, 1900)

* * * * *

Present: Messrs. E. H. Gary,
E. J. Buffington,
W. L. Brown,
Edw. Shearson,
C. H. Foote,
and
T. J. Hyman.

* * * * *

The President reported that the transfer of the property of the Universal Construction Co. to the Illinois Steel Co. under the purchase authorized by the Board of Directors at their meeting on December 26th, 1899, was made as of December 31st, 1899, and all payments thereunder have been made. The Universal Construction Co. with the money paid to it by the Illinois Steel Co. has declared and paid a dividend of one hundred (100%) per centum on the capital stock, and the Illinois Steel Company has received from the Universal Construction Co. $50,000.00 on this account, it having been the owner of this amount of the capital stock of the Universal Construction Company.

* * * * *

(Stockholders' Meeting—June 12, 1901)

* * * * *

On motion, duly seconded, the report of the Inspectors was unanimously adopted.

Thereupon the Chairman declared that

C. M. Schwab,
E. H. Gary,
E. J. Buffington,
C. H. Foote,
E. Shearson,
E. C. Converse,
Percival Roberts, Jr.,
T. W. Robinson,
W. L. Brown,
K. K. Knapp, and
T. J. Hyman,

were duly elected Directors for the ensuing year.

* * * * *

(Directors' Meeting, June 10, 1903)

* * * * *

The Board of Directors of the Illinois Steel Company, elected at the Stockholders' Meeting held this day, convened immediately thereafter at the office of the Company in the Rookery Building, Chicago, Illinois.

Present: E. J. Buffington,
C. H. McCullough, Jr.,
Wm. Duff Haynie,
George Campbell,
T. W. Robinson,
K. K. Knapp,
L. D. Doty,
T. J. Hyman.

Mr. E. J. Buffington, President, presided, and Mr. T. J. Hyman acted as Secretary of the Meeting.

On motion, duly made and seconded, the Board proceeded to the election of Officers for the ensuing year; and

On motion, duly made and seconded, the Secretary was directed to cast the ballot for the following Officers:

E. J. Buffington, President,
T. W. Robinson, First Vice President,
C. H. McCullough, Jr., Second Vice President,
T. J. Hyman, Secretary and Treasurer,

and for the Executive Committee:

E. J. Buffington,
C. M. Schwab,
E. H. Gary,
T. W. Robinson,
T. J. Hyman.

The Secretary having cast the ballot, reported the unanimous vote of the Board for the above-named Officers. The report was, on motion, duly made and seconded, adopted.

• • • • •

The following Minutes of the Directors of the American Bridge Company (Record, page 881 to page 903),are offered in evidence by the Petitioner, under the foregoing Stipulation, dated June 26, 1912 (page 359), for all purposes for which said Minutes are competent and relevant:

Each and all of said Minutes are objected to by Counsel for said Defendants on the ground of incompetency, irrelevancy, and immateriality.

(Directors' Meeting—May 4, 1900.)

AN ADJOURNED MEETING of the Board of Directors of the AMERICAN BRIDGE COMPANY was held at the office of the Company, No. 60 Grand Street, in the city of Jersey City, N. J., on the 4th day of May, 1900, at 5 o'clock in the afternoon.

At such meeting were present the following Directors, viz:

Edward M. F. Miller,
Robert S. Green,
J. C. Bancroft Davis, 2nd.

* * * * *

Committee Report.

The Committee further reported that they had conferred with Mr. Ladd respecting the terms upon which he would sell the said properties and transfer the title thereto to the American Bridge Company; that Mr. Ladd proposed to sell, assign and transfer said plants, works and properties upon the terms and conditions provided in the following agreement:

Agreement May 4, 1900, with I. Gifford Ladd.

AN AGREEMENT made and entered into at Jersey City, in the state of New Jersey, on the fourth day of May, A. D. 1900, between I. GIFFORD LADD, of the city of Providence, state of Rhode Island, as party of the first part, and the AMERICAN BRIDGE COMPANY (hereinafter called the "Bridge Company"), a corporation duly organized and existing under the laws of the state of New Jersey, as party of the second part.

WHEREAS, the Bridge Company was incorporated for the purpose, among other things, of manufacturing iron and steel,

and to carry on the business usually conducted by bridge building and structural works, with power to purchase and hold shares of the capital stock and bonds of other corporations; and

Terms of Purchase 36 Bridge plants, Supplies, Contracts and Properties.

WHEREAS, certain bridge building plants, structural works and properties, hereinafter more particularly enumerated and described, are necessary and useful for the business of the Bridge Company, and for prosecuting and developing the purposes and objects for which it was incorporated; and

WHEREAS, the Bridge Company desires to acquire said plants, works and properties, and the party of the first part represents that he has acquired title to or control of at least twenty of said plants, and expects to shortly acquire the remaining plants, and desires to sell all such plants, works and properties to the Bridge Company upon the terms and conditions and for the considerations hereinafter set forth; and

WHEREAS, the said bridge building plants, works and properties are, in the judgment of the directors of the Bridge Company, necessary for the conduct of the business for which said company was organized, and are of large earning capacity, and are fully worth to the Bridge Company, the considerations hereinafter set forth:

NOW THIS AGREEMENT WITNESSETH that the parties hereto, for and in consideration of the premises and of the mutual agreements and covenants hereinafter recited, have agreed and covenanted, and hereby do agree and covenant, to and with each other as follows:

FIRST. The party of the first part agrees and covenants to grant, bargain, sell, convey, transfer, assign and set over, or cause to be granted, bargained, sold, conveyed, transferred, assigned and set over, unto the Bridge Company, its nominees, successors or assigns, all and singular the following bridge building plants, structural works and properties and shares of stock and bonds, free and clear of all incumbrances and of all indebtedness and liabilities, that is to say:

The following described bridge building plants, structural works and properties, together with all the real estate, buildings, improvements, machinery, molds, tools, apparatus, fix-

tures, appliances and devices, and the good will and business thereof, and all patents, patent rights, inventions, or interests therein, and licenses, owned or used in connection with said plants, or any of them (exclusive of materials and supplies on hand, manufactured, partly manufactured and unmanufactured, as well as all cash, notes, securities, book accounts and bills receivable), namely:

(1) All and singular the plant, works and property of the AMERICAN BRIDGE WORKS, located at Chicago, Illinois;

(2) All and singular the plant, works and property of the BELLEFONTAINE BRIDGE COMPANY, located at Bellefontaine, Ohio;

(3) All and singular the plant, works and property of the BERLIN IRON BRIDGE COMPANY, located at East Berlin, Connecticut;

(4) All and singular the plant, works and property of the BUFFALO BRIDGE & IRON WORKS, located at Buffalo, New York;

(5) All and singular the plant, works and property of the CANTON BRIDGE COMPANY, located at Canton, Ohio;

(6) All and singular the bridge building and structural plant of the CARNEGIE STEEL COMPANY, LIMITED, located at Pittsburgh, Pennsylvania, and known as the Keystone Bridge plant;

(7) All and singular the plant, works and property of the CHICAGO BRIDGE COMPANY, located at Chicago, Illinois;

(8) All and singular the plant, works and property of J. B. & J. M. Cornell, located at New York, N. Y.;

(9) All and singular the plant, works and property of the DETROIT BRIDGE & IRON WORKS, located at Detroit, Michigan;

(10) All and singular the plant, works and property of the EDGE MOOR BRIDGE WORKS, located at Edge Moor, Delaware;

(11) All and singular the plants, works and property of the ELMIRA BRIDGE COMPANY, LIMITED, located at Elmira, New York;

(12) All and singular the plant, works and property of the GILLETTE-HERZOG MANUFACTURING COMPANY, located at Minneapolis, Minnesota;

(13) All and singular the plant, works and property of the GROTON BRIDGE & MANUFACTURING COMPANY, located at Groton, New York;

(14) All and singular the plant, works and property of the HILTON BRIDGE CONSTRUCTION COMPANY, located at Albany, New York;

(15) All (*sic*) singular the plant, works and property of the HORSEHEADS BRIDGE COMPANY, located at Horseheads, New York;

(16) All (*sic*) singular the plant, works and property of the KING BRIDGE COMPANY, located at Cleveland, Ohio;

(17) All and singular the plant, works and property of the KOKEN IRON WORKS, located at St. Louis, Missouri;

(18) All and singular the plant, works and property of the LA FAYETTE BRIDGE COMPANY, located at La Fayette, Indiana;

(19) All and singular the plant, works and property of the LASSIG BRIDGE & IRON WORKS, located at Chicago, Illinois;

(20) All and singular the property of the NELSON & BUCHANAN COMPANY, a firm located at Chambersburgh, Pennsylvania;

(21) All and singular the plant, works and property of the NEW COLUMBUS BRIDGE COMPANY, located at Columbus, Ohio;

(22) All and singular the plant, works and property of the NEW JERSEY STEEL AND IRON COMPANY, located at Trenton, New Jersey;

(23) All and singular the plant, works and property of the PASSAIC ROLLING MILL, located at Passaic, New Jersey;

(24) All and singular the plant, works and property of the PENN BRIDGE COMPANY, located at Beavers Falls, Pennsylvania;

(25) All and singular the plant, works and property of the PITTSBURGH BRIDGE COMPANY, located at Pittsburgh, Pennsylvania;

(26) All and singular the plant, works and property of POST AND MCCORD, located at New York, N. Y.;

(27) All and singular the plant, works and property of the ROCHESTER BRIDGE & IRON WORKS, located at Rochester, New York;

(28) All and singular the plants, works and property of the SCHULTZ BRIDGE & IRON COMPANY, located at McKees Rocks, Pennsylvania;

(29) All and singular the plants, works and property of the SHIFFLER BRIDGE COMPANY, located at Pittsburgh and Mifflin, Pennsylvania;

(30) All and singular the plant, works and property of the TOLEDO BRIDGE COMPANY, located at Toledo, Ohio;

(31) All and singular the plant, works and property of the UNION BRIDGE COMPANY, located at Athens, Pennsylvania;

(32) All and singular the bridge building and structural plants of the J. G. Wagner Company, located at Milwaukee, Wisconsin;

(33) All and singular the plant, works and property of the WROUGHT IRON BRIDGE COMPANY, located at Canton, Ohio;

(34) All and singular the plant, works and property of the YOUNGSTOWN BRIDGE COMPANY, located at Youngstown, Ohio;

(35) All and singular the plant, works and property of the WISCONSIN BRIDGE AND IRON COMPANY, located at Milwaukee, Wisconsin;

(36) Also 10,000 shares of the capital stock and $500,000, face value, of the bonds, being the entire outstanding issue of the capital stock, and the entire bonded debt, of the A. & P. ROBERTS COMPANY, a corporation organized under the laws of the Commonwealth of Pennsylvania, with an authorized capital stock of $1,000,000.

SECOND. The party of the first part agrees and covenants to receive and accept, in full payment for said bridge build-

ing plants, structural works and properties, businesses, good will and shares of stock and bonds, twenty million four hundred ninety-nine thousand dollars ($20,499,000), par value, in preferred stock, and thirty-four million nine hundred ninety-nine thousand dollars ($34,999,000), par value, in common stock, of said Bridge Company, together with the sum of five million five hundred thousand dollars ($5,500,000) in cash. Said stock shall be full-paid, and not liable to any further call or assessment whatsoever, and the holders thereof shall not be liable for any further payment in respect of the same.

THIRD. The Bridge Company agrees and covenants to purchase said bridge building plants, structural works and properties, businesses, good will and shares of stock and bonds, and to pay therefor to the party of the first part, his nominees or assigns, the said consideration of twenty million four hundred ninety-nine thousand dollars ($20,499,000), par value, in its preferred stock, and thirty-four million nine hundred ninety-nine thousand dollars ($34,999,000), par value, in its common stock, together with the sum of five million five hundred thousand dollars ($5,500,000) in cash. Said stock shall be full-paid and not liable to any further call or assessment whatsoever, and the holders thereof shall not be liable for any further payment in respect of the same.

FOURTH. The party of the first part further agrees and covenants, to sell, assign and transfer or cause to be sold, assigned and transferred, to the Bridge Company, for the additional consideration hereinafter stated, all materials, supplies and merchandise, manufactured, partly manufactured or unmanufactured, which shall remain on hand at the said several plants respectively (excepting the A. & P. ROBERTS COMPANY), at the dates as of which this agreement shall be consummated by delivery of possession to the Bridge Company of the said respective plants, works and properties, above described. The consideration for the sale, assignment and transfer of such materials, supplies and merchandise shall be the fair value thereof at the said respective dates. The Bridge Company agrees and covenants to purchase the said materials, supplies and merchandise, and to pay there-

for in cash within thirty days after the determination of the purchase price. In case of disagreement as to the fair value of such materials, supplies and merchandise, then the same shall, in every case of disagreement, be ascertained by the determination of three appraisers, one of whom shall be chosen by the party of the first part or his nominees, one by the Bridge Company, and the third by the two appraisers so chosen, and the decision of such appraisers, or of a majority thereof, shall be final and conclusive.

FIFTH. The parties hereto further agree and covenant that in lieu of the conveyance to the Bridge Company of the plants, works and properties of the DETROIT BRIDGE AND IRON WORKS, the KOKEN IRON WORKS, the AMERICAN BRIDGE WORKS, the CHICAGO BRIDGE COMPANY, the LASSIG BRIDGE AND IRON WORKS, or any of such corporations, the party of the first part may cause title to the plants, works and properties of said corporations, or of any of them, to be transferred to one or more corporations incorporated under the laws of the states of Michigan, Missouri, Illinois, or any other state, or may allow the title thereto to remain vested in the corporations theretofore owning the same; provided that the party of the first part shall assign and deliver unto the Bridge Company the entire capital stock of such Michigan, Missouri, Illinois or other corporation or corporations, excepting only a sufficient number of shares to qualify directors.

SIXTH. The party of the first part further agrees and covenants to cause to be transferred to the Bridge Company, the contracts in hand of the plants hereinbefore enumerated and sold and transferred hereunder (excepting the A. & P. ROBERTS COMPANY), as of the dates as of which possession of the said plants, works and properties respectively shall be delivered to the Bridge Company, and upon such terms as shall secure to the Bridge Company an average profit of not less than fifteen per cent. of the shop cost of performance of all bridge and structural contracts.

SEVENTH. It is understood and agreed between the parties hereto that the said plants, works and properties shall be transferred as going concerns, but that the sale, convey-

ance and transfer thereof shall not include any cash on hand or bills and accounts receivable of the said businesses as of the dates on which possession of the said plants respectively shall be delivered to the Bridge Company, and that the Bridge Company does not assume and is not to be liable for any of the debts, liabilities or obligations of said concerns or businesses. The party of the first part agrees that the said bills and accounts receivable will be promptly collected and that the cash on hand at said dates and the moneys so collected or received in connection with any such businesses, shall respectively be held as a trust fund applicable primarily to the payment, satisfaction and discharge of the debts and liabilities of such business, and that the same will be applied accordingly, and that all such debts and liabilities will be fully paid and discharged; and that no part of such funds shall be otherwise used until the payment, satisfaction and discharge of all the debts and liabilities of such businesses respectively.

EIGHTH. The party of the first part further agrees to procure and to deliver to the Bridge Company proper agreements in writing and in form acceptable to the Bridge Company, executed by himself and the persons formerly connected as owners or stockholders with the plants sold and transferred to the Bridge Company hereunder, who may be designated by the Bridge Company within ten days from the dates as of which possession of the said plants respectively shall be delivered to the Bridge Company, to the effect that the said party of the first part and said persons respectively will not, during the period of twenty years, directly or indirectly, without the consent in writing of the Bridge Company, engage or be interested in the business of bridge building or manufacturing or selling structural iron or steel, either individually or as copartners in any firm, or as agents for others, or as officers, directors or stockholders of any corporation or association other than the Bridge Company or its successors, in any state, district or territory of the United States, or any of its possessions, except the territory of New Mexico.

NINTH. The party of the first part further agrees and covenants that he will execute, acknowledge and deliver or procure, from time to time hereafter, at the request of the

Bridge Company, any and all such further instruments in writing as may be advised or devised in order to more fully and effectually vest in the Bridge Company, its successors or assigns, the plants, works, properties or rights provided or intended by this agreement to be sold and transferred unto the Bridge Company, or to carry out the true intent of this agreement.

TENTH. In case, for any reason, the party of the first part shall be unable to deliver and convey or cause to be delivered and conveyed to the Bridge Company any of the plants, works or properties by him herein agreed to be sold and transferred, but shall tender performance as to not less than twenty of said plants, then this agreement shall nevertheless be consummated as to said plants, works and properties as to which performance shall be so tendered; but the value of any plant, works and properties not delivered and conveyed to the Bridge Company shall be allowed by the party of the first part to the Bridge Company upon and deducted from the purchase price in this agreement provided. In case of disagreement as to the amount of such allowance in stock or cash, the same shall be ascertained by the determination of LOUIS L. STANTON, FREDERICK P. VOORHEES and EDWARD M. F. MILLER, who are hereby chosen by the parties as appraisers, and the decision of a majority of such appraisers shall be final and conclusive. The party of the first part shall have six months from the date of this agreement within which, from time to time, to tender performance hereunder as to any of the remaining plants, works and properties hereinabove enumerated, and shall be entitled on any such performance as to any such remaining plant to receive from the Bridge Company the amount of consideration theretofore withheld on account of such plant, works and property.

ELEVENTH. In consideration of the premises, the party of the first part agrees to subscribe for 145,000 shares of the preferred stock of the Bridge Company of the par value of $100 each, making in the aggregate fourteen million five hundred thousand dollars ($14,500,000) par value, and agrees to pay for the same in cash at par, as called for from time to time by the board of directors of the Bridge Company.

TWELFTH. This agreement shall apply to and bind the executors, administrators, successors and assigns of the respective parties hereto.

IN WITNESS WHEREOF, the party of the first part has hereunto set his hand and seal, and the party of the second part has caused these presents to be duly executed by its president and its corporate seal to be hereto affixed and attested by its secretary, the day and year first above written.

In presence of

PAUL F. DE FERE.

I. GIFFORD LADD. (L. S.)

AMERICAN BRIDGE COMPANY,

[CORPORATE SEAL.] by EDWARD M. F. MILLER,

PRESIDENT.

Attest:

ROBT. S. GREEN,

SECRETARY.

(Directors' Meeting—May 10, 1900.)

A MEETING of the Board of Directors of the AMERICAN BRIDGE COMPANY was held at the agency of the Company, No. 40 Wall Street, in the city of New York, on the 10th day of May, 1900, at 4:30 o'clock in the afternoon, pursuant to a waiver, consent and designation duly signed by all the directors.

At such meeting were present the following directors, viz.:

EDWARD M. F. MILLER,
ROBERT S. GREEN,
J. C. BANCROFT DAVIS, 2ND.

Mr. Ladd cannot deliver certain plants.

The President reported to the Board that Mr. Ladd had stated that he found himself unable to deliver and convey or cause to be delivered and conveyed to this Company certain of the plants, works and properties by him agreed to be sold and transferred under his agreement with this Company dated

May 4, 1900, namely: the plants, works and properties of the Bellefontaine Bridge Company, Canton Bridge Company, Chicago Bridge Company, J. B. & J. M. Cornell, King Bridge Company, New Jersey Steel and Iron Company, Passaic Rolling Mill, Penn Bridge Company, Toledo Bridge Company, and Wisconsin Bridge and Iron Company.

The President further stated that, in accordance with the provisions of Article Tenth of the said agreement of May 4, 1900, with Mr. Ladd, Messrs. Louis L. Stanton, Frederick P. Voorhees and Edward M. F. Miller, the gentlemen chosen as appraisers by the parties to said agreement, had been requested to ascertain and determine the allowance, in respect of said plants, to be made by Mr. Ladd to this Company upon the purchase price provided for in the said agreement; that the said appraisers had met and considered and determined the question and had presented to the parties the following report:

"To AMERICAN BRIDGE COMPANY, and
I. GIFFORD LADD, ESQ.,

Appraisers report Deduction therefor.

LOUIS L. STANTON, FREDERICK P. VOORHEES and EDWARD M. F. MILLER, the appraisers chosen under Article Tenth of the agreement dated May 4, 1900, between I. Gifford Ladd and the American Bridge Company, hereby determine that $4,772,200 par value of preferred, and $4,772,200 par value of common stock of the American Bridge Company should be withheld from the consideration specified in said agreement on account of the present inability of the said I. Gifford Ladd to deliver, under said agreement, the plants, works and properties of the following concerns, namely:

(1). Bellefontaine Bridge Company
(2). Canton Bridge Company.
(3). Chicago Bridge Company.
(4). J. B. & J. M. Cornell.
(5). King Bridge Company.
(6). New Jersey Steel and Iron Company.
(7). Passaic Rolling Mill.
(8). Penn Bridge Company.
(9). Toledo Bridge Company.

(10). Wisconsin Bridge & Iron Company.

Dated New York, May 10, 1900.

LOUIS L. STANTON,
FREDERICK P. VOORHEES,
EDWARD M. F. MILLER."

On motion regularly made and seconded, it was duly

Appraisers Report Approved.

RESOLVED, that the report of said appraisers be ratified and approved, and that because of the inability of Mr. Ladd to deliver and convey or cause to be delivered and conveyed to this Company the said plants, works and properties of Bellefontaine Bridge Company, Canton Bridge Company, Chicago Bridge Company, J. B. & J. M. Cornell, King Bridge Company, New Jersey Steel and Iron Company, Passaic Rolling Mill, Penn Bridge Company, Toledo Bridge Company, and Wisconsin Bridge and Iron Company, the officers of the Company be directed to withhold $4,772,200 par value of preferred stock and $4,772,200 par value of common stock of this Company from the consideration to be paid to Mr. Ladd under the said agreement of May 4, 1900.

Stock issue for remaining plants.

On motion regularly made and seconded, it was duly

RESOLVED, that the proper officers of the Company be authorized and directed to issue to I. Gifford Ladd certificates for 157,268 shares of the preferred stock and 302,268 shares of the common stock of the Company; and further

RESOLVED, that the Morton Trust Company, as Registrar of Transfers, be authorized and directed to register the certificates of stock so to be issued to the said I. Gifford Ladd.

Assumption of pending contracts.

The Secretary presented to the Board a proposed form of agreement for the transfer to this Company of the contracts on hand at the plants, works and properties so to be purchased by this Company from Mr. Ladd as provided for in Article Sixth of the said agreement of May 4, 1900.

Form of Agreement Therefor Approved.

On motion regularly made and seconded, it was duly

RESOLVED, that the form of said agreement be ratified and approved, and that the proper officers of the Company be

authorized on behalf of this Company to execute and deliver proper agreements substantially in said form and with such modifications as they may sanction in each case for the transfer to and assumption by this Company of the said contracts on hand at the said plants, works and properties purchased by this Company; and further

RESOLVED, that a copy of said proposed form of agreement be annexed to the minutes of this meeting.

Agreement with Carnegie Steel Company.

The Secretary thereupon presented to the Board a proposed form of agreement between this Company and the Carnegie Steel Company, dated as of April 30, 1900, relating to the purchase of materials and supplies by this Company and fixing the price thereof.

On motion regularly made and seconded, it was duly

Form of Carnegie Agreement Approved.

RESOLVED, that said agreement be ratified and approved, and that the President of the Company be authorized and directed to duly execute the said agreement for and on behalf of this Company and to affix its corporate seal thereto, and that the Secretary be authorized and directed to attest the same; and further

RESOLVED, that a copy of said agreement as executed be annexed to the minutes of this meeting.

Adjournment

On motion regularly made and seconded, it was duly

RESOLVED, that the Board adjourn to May 11, 1900, at 4:30 o'clock in the afternoon at the same place.

ROBT. S. GREEN,
Secretary.

Agreement for Assumption Pending Contracts.

AN AGREEMENT entered into at the city of New York this day of May, A. D. 1900, by and between

party of the first part, and the AMERICAN BRIDGE COMPANY, a corporation organized under the laws of the State of New Jersey (hereinafter called the "Bridge Company"), party of the second part.

WHEREAS, the Bridge Company has purchased from I. GIFFORD LADD the plant, works and property theretofore belonging to the party of the first part; and,

WHEREAS, the party of the first part on March 1, 1900, had pending various uncompleted contracts, of which a list is set forth in Schedule A hereto annexed:

NOW THIS AGREEMENT WITNESSETH, that the parties hereto, in consideration of the premises, and of the agreements hereinafter recited, as well as of the sum of ten dollars to each in hand paid by the other, the receipt whereof is hereby acknowledged, have agreed and covenanted, and hereby do agree and covenant, as follows:

FIRST. The party of the first part hereby sells, assigns, transfers and sets over unto the Bridge Company all its contracts enumerated in said schedule, and all contracts made since March 1, 1900, which shall not at the date hereof be completed at the works ready for shipment, together with all its right, title and interest therein and thereto, and agrees that it has not entered into any other contracts or assumed any obligations except such as are customary and necessary in the ordinary conduct of its regular business or to maintain it as a going concern. The Bridge Company hereby assumes and agrees to perform the contracts hereby assigned, according to their true tenor and purport.

SECOND. The Bridge Company agrees, within ten days after the receipt of a written appraisal by the Committee hereinafter appointed, to pay to the party of the first part the amount which may be certified by the said Committee to be payable to the party of the first part in respect of expenditures theretofore actually made by the party of the first part upon such contracts, after deducting therefrom any moneys which may have been received by the party of the first part on account of such contracts.

THIRD. The party of the first part hereby guarantees to the Bridge Company that the said contracts will net to the Bridge Company a clear profit in any event of not less than fifteen per cent. of the shop cost of performing such contracts, subject to the appraisement of said Committee. The

term "shop cost" shall include labor, material and general shop expense f. o. b. cars at works of the party of the first part.

FOURTH. Messrs. Charles Macdonald, W. H. McCord, W. Hawxhurst, P. K. Richter, C. M. Jarvis, F. Conger, J. P. Kennedy, L. S. Gillette, W. H. Connell and Frank M. Wyant are hereby named and appointed by the parties hereto as the Committee hereinabove referred to, with full power to act in the premises, and to conclusively determine and appraise the value and profits of such contracts; and the parties hereto agree to be bound by the decision of a majority of said Committee. Said Committee shall within thirty days determine the value and probable profits of such contracts in its opinion. If it shall certify that in its opinion such contracts will not net a clear profit of at least fifteen per cent., then the party of the first part agrees to pay the Bridge Company in cash the estimated difference; but any contract not so appraised and estimated by the Committee shall be deemed to fully comply with the guaranty above specified, and the party of the first part shall be thereafter and is hereby released from any further responsibility in respect thereof.

FIFTH. The party of the first part agrees and covenants that it will execute, acknowledge or procure and deliver to the said Bridge Company, from time to time hereafter, any and all such instruments in writing as may be advised or devised to more fully and effectually vest in the Bridge Company, its successors and assigns, the right and beneficial interest of the party of the first part in the said contracts, or to vest in the said Bridge Company the title to the property, real and personal, and rights heretofore conveyed or assigned, or intended to be conveyed or assigned, by the party of the first part to I. Gifford Ladd, or to the said Bridge Company.

IN WITNESS WHEREOF, the parties hereto have caused these presents to be duly executed as of the day and year first above written.

In presence of:

.....

AMERICAN BRIDGE COMPANY,
by.....

Attest: President.

.....
Secretary.

Agreement with Carnegie Steel Company for Merchandise.

THIS AGREEMENT, Made this Thirtieth Day of April, one thousand nine hundred, by and between AMERICAN BRIDGE COMPANY, a corporation organized under the laws of the State of New Jersey, hereinafter referred to as the BRIDGE COMPANY, and CARNEGIE STEEL COMPANY, a corporation organized under the laws of the State of Pennsylvania, hereinafter referred to as the STEEL COMPANY:

NOW THIS AGREEMENT WITNESSETH: That the Bridge Company, in consideration of the covenants hereinafter contained, to be kept, done and performed by the Steel Company, hereby agrees with said Steel Company, its successors and assigns:—

That for and during a period of Ten (10) years from the date hereof, the Bridge Company will purchase from the Steel Company, and does now hereby agree to purchase, receive and pay for, at Pittsburg, Pennsylvania, not less than Fifty-one per centum (51%) of all Rolled Shapes of Steel, and not less than Seventy-five per centum (75%) of all Steel Plates and Bars, required in the business of said Bridge Company, at all its works, during said period of Ten (10) years. The said Steel shall be used in the manufacture of bridges, viaducts, elevated railroads, station sheds, and work of like character, and shall not be re-sold by the said Bridge Company without having undergone some process of manufacture at its Works.

The prices to be paid for each class of material shall be the prevailing market prices thereof, to be agreed upon, in writing, monthly, between the Fifteenth and Twenty-fifth days of the preceding month; said prices to apply on all orders and specifications filed by the Bridge Company with the Steel Company during said month for which prices are so fixed.

The terms of sale of the Steel Material purchased under this Agreement shall be monthly settlements in Cash on the Twentieth of each month, for the preceding month's shipments.

IN CONSIDERATION OF THE UNDERTAKING by the Bridge Company to purchase Steel as hereinbefore set out, and of the further covenants herein contained, to be kept, done and performed by the Bridge Company, the Steel Company hereby agrees with said Bridge Company, its successors and assigns:

That the Steel Company agrees to sell, and will manufacture and deliver on orders and specifications to be furnished by the Bridge Company, Plates, Angles, Beams, Channels, and other forms of Rolled Steel, required in the business of the Bridge Company, as set forth hereinbefore, provided the same be a product of the Works of said Steel Company;

That during the life of this Contract, and during the fulfillment of the covenants of said Bridge Company herein contained, the Steel Company will not manufacture or sell any bridges, viaducts, elevated railroads, or station sheds, or any steel material fitted ready for the erection of such structures.

IT IS FURTHER MUTUALLY AGREED, AS FOLLOWS:—

Should the Bridge Company not make two-thirds (2/3) of all the bridges, viaducts, elevated railroads, station sheds and similar work, erected in the United States, then shall the Steel Company, if it so elect, have the full right, privilege and option of again engaging in the Bridge business, after One (1) year's written notice served upon said Bridge Company, at its General Office; and at the expiration of said year, this Agreement shall terminate.

All matters in connection with this Agreement upon which difference of opinion may hereafter exist, whether as to prices of materials, or rights and obligations under this Agreement,

shall, failing amicable adjustment within Two (2) weeks, be determined by the arbitration of three arbitrators, one to be selected by each of the parties hereto and the third to be appointed by the arbitrators so selected; and the decision of the said arbitrators or of a majority of them shall be final and conclusive.

The provisions of this contract shall apply to the successors, or assigns succeeding to the business, of each of the parties hereto.

IN WITNESS WHEREOF, the parties hereto have hereunto affixed their respective seals, duly attested, this Day and Year first above written.

AMERICAN BRIDGE COMPANY,
(SEAL) E. M. F. MILLER, President.

Attest:
ROBT. S. GREEN, Sec'y.

CARNEGIE STEEL COMPANY,
(SEAL) L. C. PHIPPS,
Second Vice President.

Attest:
A. M. MORELAND,
Secretary.

(Directors' Meeting—May 11, 1900.)

A MEETING of the Board of Directors of the AMERICAN BRIDGE COMPANY was held at the agency of the Company, No. 40 Wall Street, in the city of New York, on the 11th day of May, 1900, at 4:30 o'clock in the afternoon, pursuant to adjournment.

At such meeting were present the following directors, viz:

EDWARD M. F. MILLER,
ROBERT S. GREEN,
J. C. BANCROFT DAVIS, 2ND.

The Board duly came to order, the President in the chair and the Secretary recording.

On motion regularly made and seconded, it was duly

J. P. Morg & Co. Fisc Agents.

RESOLVED, that Messrs. J. P. Morgan & Co., bankers, of the city of New York, be appointed the fiscal agents and bankers of this Company.

On motion regularly made and seconded, it was duly

Assessment on Ladd's Subscriptio

RESOLVED, that one hundred per cent. upon one-half of the shares of preferred stock of the Company subscribed for by Mr. I. Gifford Ladd under the terms of the agreement of May 4, 1900, be now assessed and be made payable forthwith.

Detroit Brid & Iron Work and Koken Iron Works

Mr. Ladd, who was present at the meeting, thereupon stated that, in lieu of the conveyance to this Company of the plants, works and properties of the Detroit Bridge and Iron Works, and of the Koken Iron Works, he proposed to cause title to the said plants, works and properties to remain vested in the corporations now owning the same, and to assign and deliver to this Company the entire capital stock of such corporations, excepting only a sufficient number of shares to qualify directors, namely: 11,995 shares of the capital stock of the Detroit Bridge and Iron Works, and 1,995 shares of the capital stock of the Koken Iron Works, with the understanding, however, that Mr. Ladd or his nominees should nevertheless be entitled to receive from the Bridge Company, in respect of such plants, an amount in cash equal to the amount which would have been payable under Article Fifth of the said agreement of May 4, 1900, and as therein provided, for materials, supplies and merchandise, and certain additions to plant; and also a further amount in cash equal to the amount which would have been payable under Article Sixth of the said agreement of May 4, 1900, and as therein provided, in respect of contracts appertaining to such plants, and to be transferred to this Company; and with the further understanding that the transfer should be closed as of midnight May 12, 1900, and that all the bills receivable and cash on hand as of that date should be sold by the Detroit Bridge and Iron Works, and Koken Iron Works, respectively to a trustee nominated by the former stockholders of said companies, respectively, who had agreed to pay and discharge the debts and obligations of said Companies as of said date.

Stock to be Purchased.

Stock of Koken and Detroit.

On motion regularly made and seconded, it was duly

RESOLVED, that the proposition of Mr. Ladd be accepted, ratified and approved, and that the officers of the Company be authorized and directed to enter into and execute any and all agreements which may be necessary or advisable to carry out the said proposition.

(Directors' Meeting—May 21, 1900.)

A MEETING of the Board of Directors of the AMERICAN BRIDGE COMPANY was held at the agency of the Company, No. 40 Wall Street, in the city of New York, on the 21st day of May, 1900, at two o'clock in the afternoon, pursuant to adjournment.

At such meeting were present the following directors, as evidenced by the roll call, viz.:

EDWARD M. F. MILLER,
ROBERT S. GREEN,
J. C. BANCROFT DAVIS, 2ND.

The meeting duly came to order, the President in the chair, and the Secretary recording.

On motion regularly made and seconded, it was duly

RESOLVED, that the reading of the minutes of the previous meeting be dispensed with.

Election of Additional Directors.

On motion regularly made and seconded, it was duly

RESOLVED, that the Board proceed to the election of eighteen additional directors to serve until the next annual meeting of the stockholders of the Company.

The following named gentlemen were thereupon nominated as directors of the Company to serve until the next

annual meeting of the stockholders; and there were no other nominations:

Percival Roberts, Jr.
Albert C. Case
William H. McCord
Charles M. Jarvis
William H. Connell
Walter Hawxhurst
Charles Macdonald
Frank Conger
James P. Kennedy
Lewis S. Gillette
John F. Alden
Walter G. Oakman
J. P. Ord
Robert Winsor
Charles Steele
Robert Bacon
Paul E. DeFere
Douglas O. Morgan;

and there were no other nominations.

A vote having been duly taken, Messrs. Roberts, Case, Mc Cord, Jarvis, Connell, Hawxhurst, Macdonald, Conger, Kennedy, Gillette, Alden, Oakman, Ord, Winsor, Steele, Bacon, DeFere and Morgan were unanimously elected directors of the Company to serve until the next annual meeting of the stockholders.

* * * * *

On motion regularly made and seconded, it was duly

Election Finance Committee

RESOLVED, that the Board proceed to the election of a Finance Committee.

Messrs. Charles Steele, Walter G. Oakman and Robert Bacon were thereupon nominated as members of the Finance Committee, in addition to the President and Treasurer *ex officio;* and there were no other nominations.

A vote having been duly taken, Messrs. Steele, Oakman and Bacon were unanimously elected members of the Finance Com-

mittee of the Company, in addition to the President and Treasurer, *ex officio*.

Secretary's Resignation.

Mr. Green thereupon tendered his resignation as Secretary of the Company.

On motion regularly made and seconded, it was duly

RESOLVED, that the said resignation be accepted.

On motion regularly made and seconded, it was duly

RESOLVED, that the Board proceed to the election of a Secretary of the Company to fill the vacancy caused by Mr. Green's resignation.

Election of Secretary.

Mr. Douglas O. Morgan was thereupon nominated as Secretary of the Company; and there were no other nominations.

A vote having been duly taken, Mr. Morgan was unanimously elected Secretary of the Company to fill the vacancy caused by Mr. Green's resignation.

Election of Auditor.

On motion regularly made and seconded, it was duly

RESOLVED, that the Board proceed to the election of an Auditor of the Company.

Mr. Charles C. Price was thereupon nominated for Auditor of the Company; and there were no other nominations.

A vote having been duly taken Mr. Price was unanimously elected Auditor of the Company.

Resignation of General Counsel.

Messrs. Wall and Green thereupon tendered their resignation as General Counsel of the Company.

On motion regularly made and seconded, it was duly

RESOLVED, that the said resignation be accepted.

Messrs. Seward, Guthrie and Steele were thereupon nominated General Counsel of the Company, and there were no other nominations.

Election of General Counsel.

A vote having been duly taken, Messrs. Seward, Guthrie and Steele were unanimously elected General Counsel of the Company, to fill the vacancy caused by Messrs. Wall & Green's resignation.

On motion regularly made and seconded, it was duly

Executive Committee Authorized

RESOLVED, that the question of salaries of officers of the Company, the designation of managers of the various plants, and the details of organization and administration of the Company's affairs, be referred to the Executive Committee with power to act.

* * * * *